



HDFC PENSION MANAGEMENT COMPANY LIMITED

**Un-audited Financial Statements for the half year
ended September 30, 2017**

SCHEME E TIER I

SCHEME E TIER II

SCHEME C TIER I

SCHEME C TIER II

SCHEME G TIER I

SCHEME G TIER II

SCHEME A TIER I

SCHEME A TIER II

FINANCIAL STATEMENTS OF THE SCHEMES.....

- a) Scheme E Tier I - Equity market instruments
- b) Scheme E Tier II - Equity market instruments
- c) Scheme C Tier I - Credit risk bearing fixed income instruments
- d) Scheme C Tier II - Credit risk bearing fixed income instruments
- e) Scheme G Tier I - Government securities
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NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I

**Un-audited Financial Statements for the half year
ended September 30, 2017**

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NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I**

UN-AUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme E Tier I	
		September 30, 2017	September 30, 2016
Liabilities			
Unit Capital	1	3,478,778,146	1,496,314,033
Reserves & Surplus	2	3,123,505,192	945,594,650
Current Liabilities and Provisions	3	115,341,546	23,745,335
Total		6,717,624,884	2,465,654,018
Assets			
Investments	4	6,564,767,397	2,442,820,475
Deposits	5	-	-
Other Current Assets	6	152,857,487	22,833,543
Total		6,717,624,884	2,465,654,018
(a) Net asset as per Balance Sheet (Schedule 4+5+6 -3)		6,602,283,338	2,441,908,683
(b) Number of units outstanding		347,877,814	149,631,403
(c) NAV per unit (a)/(b) (₹)*		18.9787	16.3194
Significant accounting policies and notes to accounts	7		

* 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme E Tier I	
		September 30, 2017	September 30, 2016
Income			
Dividend		47,315,370	17,464,969
Profit on sale/redemption of investments		83,523,739	36,522,560
Unrealised gain on appreciation in investments		282,329,976	209,616,683
Total Income (A)		413,169,085	263,604,212
Expenses & Losses			
Loss on sale/redemption of investments		5,309,763	13,838,047
Management fees (including service tax)		337,073	113,714
NPS Trust fees		288,984	99,000
Custodian fees		107,863	73,535
CRA fees		4,657,268	3,929,219
Less : Amount recoverable on sale of units on account of CRA Charges		(4,657,268)	(3,929,219)
Depository and settlement charges		11,846	-
Total Expenditure (B)		6,055,529	14,124,296
Surplus/(Deficit) for the year (A-B = C)		407,113,556	249,479,916
Less: Amount transferred to Unrealised appreciation account		(282,329,976)	(209,616,683)
Less: Amount transferred to General Reserve		(124,783,580)	(39,863,233)
Amount carried forward to Balance Sheet		-	-
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)

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Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I

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

Schedule 1: Unit capital

(In ₹)

Particulars	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Initial capital		
Unit Capital		
Outstanding at the beginning of the period	2,657,539,445	1,034,914,608
Add :Units issued during the period	932,858,638	493,212,149
Less: Units redeemed during the period	(111,619,937)	(31,812,724)
Outstanding at the end of the period	3,478,778,146	1,496,314,033
(Face Value of Rs.10/- each unit, fully paid up)		
Outstanding units at the beginning of the period	265,753,944	103,491,461
Add :Units issued during the period	93,285,864	49,321,214
Less: Units redeemed during the period	(11,161,994)	(3,181,272)
Outstanding Units at the end of the period	347,877,814	149,631,403

Schedule 2: Reserves and surplus

(In ₹)

Particulars	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Unit premium reserve		
Opening balance	1,443,574,386	431,174,730
Add: Premium on Units issued	803,228,796	270,858,479
Less: Premium on Units redeemed	(96,011,408)	(17,812,810)
Closing balance	2,150,791,774	684,220,399
General Reserve		
Opening balance	83,355,038	10,479,828
Add/(Less): Transfer from/(to) Revenue Account	124,783,580	39,863,233
Closing balance	208,138,618	50,343,061
Unrealised Appreciation Reserve		
Opening balance	482,244,824	1,414,506
Add/(Less): Transfer from/(to) Revenue Account	282,329,976	209,616,684
Closing balance	764,574,800	211,031,190
Total	3,123,505,192	945,594,650

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Current liabilities & Provisions		
Sundry creditors for expenses	571,529	216,600
Redemption Payable	4,067,680	1,528,405
TDS Payable	7,163	1,992
Contracts for purchase of investments	110,695,174	21,988,144
Provisions*	-	10,194
Total	115,341,546	23,745,335

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

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I**

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

Schedule 4: Investments (Long Term and Short Term)**(In ₹)**

Particulars	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Equity shares	6,303,951,397	2,360,651,475
Others - Mutual Fund Units	260,816,000	82,169,000
Total	6,564,767,397	2,442,820,475

Schedule 5: Deposits**(In ₹)**

Particulars	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Deposits with scheduled banks	-	-
Total	-	-

Schedule 6: Other current assets**(In ₹)**

Particulars	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Balances with banks in current account	45,851	290
Contracts for sale of investments	83,979,268	-
Brokerage receivable from PFM	19,054	-
Application money pending allotment	1,250,000	6,500
Others - Dividend receivable	2,351,707	838,609
Sundry Debtors - Margin Money for Investments	65,211,607	21,988,144
Total	152,857,487	22,833,543

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

Schedule 7

Significant accounting policies & notes to accounts for the half year ended September 30, 2017

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 and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS. Some of the key responsibilities of the CRA include the following:

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

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

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. 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 I being managed by the Company.

The Company manages eight separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C, G and A 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

Scheme A – Alternate Investment funds

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 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 closing 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 started charging 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.

1.7 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from November 01, 2015 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

1.8 Other Expenses

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

1.9 Unit Premium Reserve

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

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

Notes to accounts (un-audited)

2.1 Contingent liabilities

(In ₹)

Particulars	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Uncalled liability on partly paid shares	NIL	NIL
Other commitments	NIL	NIL

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
Mr. Fagun Pancholi	Key Management Personnel
Mr. Nagesh Pai	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended September 30, 2017

(In ₹)

Nature of Transaction	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Investment management fees	337,073	113,714

Balances with HDFC Pension Management Company Limited are as follows:

(In ₹)

Nature of Transaction	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Investment management fees payable	176,099	64,794

Aggregate investments made in the Associates and group companies as at September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme E Tier I			
		As at September 30, 2017		As at September 30, 2016	
		Cost	Market Value	Cost	Market Value
HDFC Ltd	Equity	23,231,909	33,874,365	23,231,909	27,094,242

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 September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme E Tier I			
		As at September 30, 2017		As at September 30, 2016	
		Cost	Market Value	Cost	Market Value
HDFC Bank Ltd	Equity	197,993,844	284,135,924	78,228,341	91,822,126

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Average Net Asset Value	5,763,893,438	1,974,583,871
Purchase of Investment	30,285,545,693	8,538,207,541
% to average Net Assets Value	525.44%	432.41%
Sale of Investment	28,791,704,222	7,805,253,352
% to average Net Assets Value	499.52%	395.29%

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

Notes to accounts (un-audited)

Aggregate value of purchase and sale (excluding liquid mutual fund)* with percentage to average assets as at September 30, 2017 is as follows :

(In ₹)

Particular	Scheme E Tier I	
	September 30, 2017	September 30, 2016
Average Net Asset Value	5,763,893,438	1,974,583,871
Purchase of Investment	1,898,428,493	1,154,749,342
% to average Net Assets Value	32.94%	58.48%
Sale of Investment	460,591,174	449,098,922
% to average Net Assets Value	7.99%	22.74%

*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:

(In ₹)

Industry Classification	Scheme E Tier I			
	As at September 30, 2017		As at September 30, 2016	
	Market value	% of Industry Classification	Market value	% of Industry Classification
Monetary intermediation of commercial / saving / postal banks	1,611,303,183	24.41%	592,847,655	24.28%
Manufacture of refined petroleum products	505,560,291	7.66%	140,117,812	5.74%
Computer programming, consultancy and related activities	499,346,167	7.56%	267,032,528	10.94%
Manufacture of passenger cars	438,690,894	6.64%	150,635,655	6.17%
Construction of Utility Projects	350,970,238	5.32%	99,012,034	4.05%
Manufacture of cigarettes, cigarette tobacco	329,091,248	4.98%	126,360,240	5.17%
Others (Industries constitute less than 5%)	2,568,989,376	38.91%	984,645,551	40.32%
Mutual Funds	260,816,000	3.95%	82,169,000	3.36%
Net Current Assets	37,515,941	0.57%	-911,792	-0.04%
Net Asset Value	6,602,283,338	100.00%	2,441,908,683	100.00%

Note :

1. Industry classification has been taken at sub class level of National Industrial Classification (NIC) 2008.

2.7 Age wise disclosure for Shares/debentures/ others application money pending allotment.

(In ₹)

Security Name	Asset Type	Ageing	Scheme E Tier I	
			September 30, 2017	September 30, 2016
ICICI Prudential Liquid - Direct Plan - Growth.	Liquid Mutual Fund	Less than 7 Days	1,250,000	6,500

2.8 Prior Year Comparatives :

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

2.9 Note on status of litigation matters with PFRDA

The Company is a wholly owned subsidiary of HDFC Standard Life Insurance Company Ltd. and has been a licensed pension fund manager since 2013. In 2014, the Pension Fund Regulatory & Development Authority ("PFRDA") issued a Request for Proposal ("RFP") inviting bids from Sponsors to select new pension fund managers. The bid of HDFC Life to this RFP was rejected by the PFRDA on the ground that it did not meet certain eligibility criteria under the RFP. The Hon'ble Delhi High Court, however, set aside the rejection, directing the PFRDA to grant a Letter of Appointment to HDFC Life thereby allowing the Company to continue its business. While the PFRDA issued a letter of appointment to HDFC Life, it also challenged the Hon'ble High Court's decision before the Hon'ble Supreme Court of India by way of a Special Leave Petition ("SLP"). The Hon'ble Supreme Court, by its order dated July 31, 2017, has dismissed the PFRDA's SLP and refused to interfere with the Hon'ble High Court's decision. Accordingly, the Letter of Appointment issued to HDFC Life stands unqualified, with the appointment of HDFC Pension as a pension fund manager being confirmed.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
Equity Instruments			
Shares			
1. Reliance Industries Ltd	391,069,250	5.92%	N.A.
2. Larsen & Toubro Ltd	350,970,238	5.32%	N.A.
3. ITC Ltd	329,091,248	4.98%	N.A.
4. ICICI Bank Ltd	308,217,316	4.67%	N.A.
5. Kotak Mahindra Bank Ltd	299,644,687	4.54%	N.A.
6. HDFC Bank Ltd	284,135,924	4.30%	N.A.
7. Maruti Suzuki India Ltd	282,571,888	4.28%	N.A.
8. Infosys Ltd	268,851,424	4.07%	N.A.
9. IndusInd Bank Ltd	224,659,492	3.40%	N.A.
10. Yes Bank Ltd	191,674,000	2.90%	N.A.
11. Hero Motocorp Ltd	169,775,484	2.57%	N.A.
12. Hindustan Unilever Ltd	164,429,347	2.49%	N.A.
13. Mahindra & Mahindra Ltd	156,119,006	2.36%	N.A.
14. Tata Motors Ltd	144,819,846	2.19%	N.A.
15. UltraTech Cement Ltd	140,924,969	2.13%	N.A.
16. State Bank of India	137,170,132	2.08%	N.A.
17. Zee Entertainment Enterprises Ltd	127,128,563	1.93%	N.A.
18. Tata Consultancy Services Ltd	126,740,043	1.92%	N.A.
19. Bajaj Finance Ltd	123,342,345	1.87%	N.A.
20. Vedanta Ltd	118,742,505	1.80%	N.A.
21. National Thermal Power Corporation Ltd	105,935,233	1.60%	N.A.
22. Tata Steel Ltd	101,669,900	1.54%	N.A.
23. Axis Bank Ltd	90,487,665	1.37%	N.A.
24. HCL Technologies Ltd	90,408,830	1.37%	N.A.
25. Cipla Ltd	89,925,323	1.36%	N.A.
26. Shree Cements Ltd	85,226,919	1.29%	N.A.
27. Hindustan Petroleum Corporation Ltd	84,357,020	1.28%	N.A.
28. Power Grid Corporation of India Ltd	81,673,247	1.24%	N.A.
29. Bharat Petroleum Corporation Ltd	78,734,435	1.19%	N.A.
30. Sun Pharmaceuticals Industries Ltd	78,318,281	1.19%	N.A.
31. Bajaj Finserv Ltd	68,152,138	1.03%	N.A.
32. Oil & Natural Gas Corporation Ltd	65,177,765	0.99%	N.A.
33. Bharati Airtel Ltd	41,804,342	0.63%	N.A.
34. Gas Authority of India Ltd	41,382,445	0.63%	N.A.
35. Hindalco Industries Ltd	41,013,157	0.62%	N.A.
36. Coal India Ltd	40,388,069	0.61%	N.A.
37. Dr Reddys Laboratories Ltd	40,189,568	0.61%	N.A.
38. Adani Ports And Special Economic Zone Ltd	39,976,189	0.61%	N.A.
39. Nestle India Limited	34,047,447	0.52%	N.A.
40. Housing Development Finance Corporation Ltd	33,874,365	0.51%	N.A.
41. Indian Oil Corporation Ltd	30,134,021	0.46%	N.A.
42. Ambuja Cements Ltd	29,372,116	0.44%	N.A.
43. Exide Industries Ltd	28,701,192	0.43%	N.A.
44. DCB Bank Limited	28,256,960	0.43%	N.A.
45. Capital First Ltd.	28,166,572	0.43%	N.A.
46. Asian Paints (India) Ltd	27,636,114	0.42%	N.A.
47. Bank of Baroda	27,223,059	0.41%	N.A.
48. Cholamandalam Investment & Finance Company Ltd	26,820,199	0.41%	N.A.
49. Wipro Ltd	20,688,616	0.31%	N.A.
50. Dabur India Ltd	20,636,605	0.31%	N.A.
51. Federal Bank Ltd	19,833,948	0.30%	N.A.
52. Petronet LNG Ltd	19,830,024	0.30%	N.A.
53. Bharti Infratel Ltd	19,398,494	0.29%	N.A.
54. Tata Motors Limited DVR	18,834,812	0.29%	N.A.
55. Ashok Leyland Ltd	18,746,653	0.28%	N.A.
56. Cummins India Ltd	18,034,069	0.27%	N.A.
57. Bharat Electronics Ltd	17,345,689	0.26%	N.A.
58. Eicher Motors Ltd	17,323,382	0.26%	N.A.
59. UPL Ltd	17,063,163	0.26%	N.A.
60. Britannia Industries Ltd	16,725,363	0.25%	N.A.
61. Siemens Ltd	16,540,470	0.25%	N.A.
62. Godrej Consumer Products Ltd	14,722,945	0.22%	N.A.
63. Rural Electrification Corporation Ltd	14,276,579	0.22%	N.A.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
64. Lupin Ltd	14,108,796	0.21%	N.A.
65. Bajaj Auto Ltd	13,830,611	0.21%	N.A.
66. Oracle Financial Services Software Ltd	13,793,876	0.21%	N.A.
67. Tech Mahindra Ltd	13,345,870	0.20%	N.A.
68. Shriram Transport Finance Co. Ltd	11,421,261	0.17%	N.A.
69. Oil India Ltd	10,967,394	0.17%	N.A.
70. Cadila Healthcare Ltd	10,818,050	0.16%	N.A.
71. United Spirits Ltd	10,053,346	0.15%	N.A.
72. Havells India Ltd	8,619,396	0.13%	N.A.
73. Glenmark Pharmaceuticals Ltd	7,897,560	0.12%	N.A.
74. Hindustan Zinc Ltd	7,699,614	0.12%	N.A.
75. LIC Housing Finance Ltd	7,476,130	0.11%	N.A.
76. MRF Ltd.	4,788,403	0.07%	N.A.
Equity Instruments Total	6,303,951,397	95.48%	
<u>Money Market Instruments</u>			
Liquid Mutual Funds			
1. ICICI Prudential Liquid - Direct Plan - Growth	260,816,000	3.95%	AAA
Money Market Instruments Total	260,816,000	3.95%	
Cash/Cash Equivalent & Net Current Assets	37,515,941	0.57%	
Grand Total	6,602,283,338	100.00%	
Average Maturity of Portfolio (in yrs)	N.A.		
Modified Duration (in yrs)	N.A.		
Yield to Maturity (%) (annualised) (at market price)	N.A.		
<u>Credit Rating Exposure</u>			
Central Government Securities	-	-	
State Development Loans	-	-	
AAA / equivalent	-	-	
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	-	-	
Bank FD	-	-	
Equity	6,303,951,397	95.48%	
Equity Mutual Funds	-	-	
Gilt / Money Market Mutual Funds	260,816,000	3.95%	
Cash / cash equivalent net current assets	37,515,941	0.57%	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	6,602,283,338	100.00%	
Units Outstanding	347,877,814		
NAV*	18.9787		

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME E TIER I**3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017****(in ₹)**

Name of the instrument	Market value	% of Portfolio	Rating (if any)
Notes:			
a. Total NPAs provided for and its percentage to NAV		-	
b. Total value and percentage of illiquid equity shares		-	
c. NAV at March 31,2017		17.5602	
d. NAV at September 30,2017*		18.9787	
e. Total outstanding exposure in derivative instruments at September 30, 2017		-	
f. Total 'Infrastructure investments' September 30, 2017		-	
* 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017.			

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

3.1 KEY STATISTICS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Sr No	Particulars	Scheme E Tier I	
		September 30, 2017	September 30, 2016
1	NAV per unit (₹) I		
	Open	17.5602	14.2812
	High	19.7646	16.9469
	Low	17.5105	13.9545
	End	18.9787	16.3194
2	Closing Assets Under Management (₹ in Lakhs)		
	End	66,022.83	24419.09
	Average daily net assets (AAuM) II	57,638.93	19745.84
3	Gross income as % of AAuM III	7.17%	13.35%
4	Expense ratio		
a	Total expense as % of AAuM (scheme wise) IV	0.01%	0.01%
b	Management fee as % of AAuM (scheme wise) V	0.01%	0.01%
5	Net income as % of AAuM VI	7.06%	12.63%
6	Portfolio turnover ratio VII	7.99%	22.74%
7	Total dividend per unit distributed during the period	N.A.	N.A.
8	Returns: (%)		
a	Last one year	16.30%	11.78%
	Benchmark VIII	15.57%	9.62%
b	Since inception	89.79%	63.19%
	Benchmark VIII	82.56%	57.97%
c	Compound annualised yield (%) IX		
	Last 1 year	16.30%	11.78%
	Last 2 year	14.01%	6.38%
	Last 3 year	9.59%	16.76%
	Since launch of the scheme	16.63%	16.72%
	Launch Date	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 = Total Income as per Revenue Account		
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		
VI	Net income = Surplus / Deficit as per Revenue Account		
VII	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		
VIII	Post changes in the PFRDA investment regulation vide circular No PFRDA/2015/PFM/08 in September 2015, company has changed the fund management strategy of the equity schemes for both Tier I and Tier II. Due to this change the benchmark of the schemes has been changed from CNX Nifty 50 to CNX Nifty 100 effective from October 01, 2015. The benchmark return mentioned above represents the return of existing scheme benchmark, which is CNX Nifty 100.		
IX	Compounded annualised yield is to be calculated based on following formula: = (1+ cumulative return) ⁿ - 1 (where n=365/no. of days)		



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

**Un-audited Financial Statements for the half year
ended September 30, 2017**

Contents

Balance Sheet

Revenue Account

Accounting Policies and Notes to Accounts

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

UN-AUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme E Tier II	
		September 30, 2017	September 30, 2016
Liabilities			
Unit Capital	1	136,720,406	45,767,322
Reserves & Surplus	2	87,821,189	18,782,264
Current Liabilities and Provisions	3	3,746,423	84,595
Total		228,288,018	64,634,181
Assets			
Investments	4	223,085,550	64,612,044
Deposits	5	-	-
Other Current Assets	6	5,202,468	22,137
Total		228,288,018	64,634,181
(a) Net asset as per Balance Sheet (Schedule 4+5+6-3)		224,541,595	64,549,586
(b) Number of units outstanding		13,672,041	4,576,732
(c) NAV per unit (a)/(b) (₹)*		16.4234	14.1038
Significant accounting policies and notes to accounts	7		

* 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme E Tier II	
		September 30, 2017	September 30, 2016
Income			
Dividend		1,416,560	415,230
Profit on sale/redemption of investments		1,547,689	698,789
Unrealised gain on appreciation in investments		8,714,639	5,003,184
Total Income (A)		11,678,888	6,117,203
Expenses & Losses			
Unrealised losses in value of investments		-	-
Loss on sale/redemption of investments		112,846	250,949
Management fees (including service tax)		10,119	2,684
NPS Trust fees		8,667	2,336
Custodian fees		3,236	1,721
CRA fees		30,924	15,971
Less : Amount recoverable on sale of units on account of CRA Charges		(30,924)	(15,971)
Depository and settlement charges		410	-
Total Expenditure (B)		135,278	257,690
Surplus/(Deficit) for the year (A-B = C)		11,543,610	5,859,513
Less: Amount transferred to Unrealised appreciation account		(8,714,639)	(4,436,488)
Less: Amount transferred to General Reserve		(2,828,971)	(1,423,025)
Amount carried forward to Balance Sheet		-	-
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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST
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	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Initial capital		
Unit capital		
Outstanding units at the beginning of the period	80,251,831	26,085,973
Add :Units issued during the period	71,155,518	21,874,011
Less: Units redeemed during the period	(14,686,943)	(2,192,662)
Outstanding at the end of the period	136,720,406	45,767,322
(Face Value of Rs.10/- each unit, fully paid up)		
Outstanding units at the beginning of the period	8,025,183	2,608,597
Add :Units issued during the period	7,115,552	2,187,401
Less: Units redeemed during the period	(1,468,693)	(219,266)
Outstanding Units at the end of the period	13,672,041	4,576,732

Schedule 2: Reserves and surplus

(In ₹)

Particulars	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Unit premium reserve		
Opening balance	27,665,667	6,256,944
Add: Premium on Units issued	43,954,389	7,673,511
Less: Premium on Units redeemed	(9,143,741)	(751,332)
Closing balance	62,476,315	13,179,123
General Reserve		
Opening balance	1,933,166	(256,372)
Add/(Less): Transfer from/(to) Revenue Account	2,828,971	1,423,025
Closing balance	4,762,137	1,166,653
Unrealised Appreciation Reserve		
Opening balance	11,868,098	-
Add/(Less): Transfer from/(to) Revenue Account	8,714,639	4,436,488
Closing balance	20,582,737	4,436,488
Total	87,821,189	18,782,264

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Current liabilities & Provision		
Sundry creditors for expenses	17,463	5,388
Redemption Payable	194,984	78,891
TDS Payable	242	52
Contracts for purchase of investments	3,533,734	-
Provisions*	-	264
Total	3,746,423	84,595

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

NATIONAL PENSION SYSTEM TRUST**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 (Long Term and Short Term)**(In ₹)**

Particulars	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Equity shares	215,497,550	61,739,544
Others - Mutual Fund Units	7,588,000	2,872,500
Total	223,085,550	64,612,044

Schedule 5: Deposits**(In ₹)**

Particulars	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Deposits with scheduled banks	-	-
Total	-	-

Schedule 6: Other current assets**(In ₹)**

Particulars	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Balances with banks in current account	4,845	1,173
Contracts for sale of investments	2,832,416	-
Sundry debtors	2,228,866	-
Receivable from other scheme	578	-
Others - Dividend receivable	75,763	20,964
Total	5,202,468	22,137

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

Schedule 7

Significant accounting policies & notes to accounts for the half year ended September 30, 2017

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 and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS. Some of the key responsibilities of the CRA include the following:

- 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.

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. 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 eight separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C, G and A 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

Scheme A – Alternate Investment funds

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 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 closing 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.

1.7 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from November 01, 2015 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

1.8 Other Expenses

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

1.9 Unit Premium Reserve

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

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

Notes to accounts (Un-audited)

2.1 Contingent liabilities

(In ₹)

Particulars	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Uncalled liability on partly paid shares	NIL	NIL
Other commitments	NIL	NIL

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
Mr. Fagun Pancholi	Key Management Personnel
Mr. Nagesh Pai	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended September 30, 2017

(In ₹)

Nature of Transaction	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Investment management fees	10,119	2,684

Balances with HDFC Pension Management Company Limited are as follows:

(In ₹)

Nature of Transaction	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Investment management fees payable	5,633	1,590

Aggregate investments made in the Associates and group companies as at September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme E Tier II			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
HDFC Ltd	Equity	858,402	1,236,927	858,402	989,350

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 September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme E Tier II			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
HDFC Bank Ltd	Equity	7,343,178	9,579,239	1,879,241	2,142,207

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Average Net Asset Value	172,870,988	46,598,523
Purchase of Investment	1,002,081,334	180,463,329
% to average Net Assets Value	579.67%	387.27%
Sale of Investment	912,125,359	153,427,313
% to average Net Assets Value	527.63%	329.25%

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme E Tier II	
	September 30, 2017	September 30, 2016
Average Net Asset Value	172,870,988	46,598,523
Purchase of Investment	98,900,034	33,810,029
% to average Net Assets Value	57.21%	72.56%
Sale of Investment	10,538,780	9,056,872
% to average Net Assets Value	6.10%	19.44%

*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:

(In ₹)

Industry Classification	Scheme E Tier II			
	As at September 30, 2017		As at September 30, 2016	
	Market value	% of Industry Classification	Market value	% of Industry Classification
Monetary intermediation of commercial / saving / postal banks	55,416,593	24.68%	15,168,180	23.50%
Manufacture of refined petroleum products	17,216,270	7.67%	3,591,088	5.56%
Computer programming, consultancy and related activities	16,798,136	7.48%	7,140,886	11.06%
Manufacture of passenger cars	16,769,906	7.47%	3,994,482	6.19%
Construction of Utility Projects	11,357,687	5.06%	2,608,333	4.04%
Manufacture of cigarettes, cigarette tobacco	11,137,379	4.96%	3,357,902	5.20%
Others (Industries constitute less than 5%)	86,801,579	38.66%	25,878,673	40.09%
Mutual Funds	7,588,000	3.38%	2,872,500	4.45%
Net Current Assets	1,456,045	0.65%	(62,458)	-0.10%
Net Asset Value	224,541,595	100.00%	64,549,586	100.00%

Note :

1) Industry classification has been taken at sub class level of National Industrial Classification (NIC) 2008.

2.7 Age wise disclosure for Shares/debentures/ others application money pending allotment.

(In ₹)

Security Name	Asset Type	Ageing	Scheme E Tier II	
			September 30, 2017	September 30, 2016
	NIL	NIL	NIL	NIL

2.8 Prior Year Comparatives :

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

2.9 Note on status of litigation matters with PFRDA

The Company is a wholly owned subsidiary of HDFC Standard Life Insurance Company Ltd. and has been a licensed pension fund manager since 2013. In 2014, the Pension Fund Regulatory & Development Authority ("PFRDA") issued a Request for Proposal ("RFP") inviting bids from Sponsors to select new pension fund managers. The bid of HDFC Life to this RFP was rejected by the PFRDA on the ground that it did not meet certain eligibility criteria under the RFP. The Hon'ble Delhi High Court, however, set aside the rejection, directing the PFRDA to grant a Letter of Appointment to HDFC Life thereby allowing the Company to continue its business. While the PFRDA issued a letter of appointment to HDFC Life, it also challenged the Hon'ble High Court's decision before the Hon'ble Supreme Court of India by way of a Special Leave Petition ("SLP"). The Hon'ble Supreme Court, by its order dated July 31, 2017, has dismissed the PFRDA's SLP and refused to interfere with the Hon'ble High Court's decision. Accordingly, the Letter of Appointment issued to HDFC Life stands unqualified, with the appointment of HDFC Pension as a pension fund manager being confirmed.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
Equity Instruments			
Shares			
1. Reliance Industries Ltd	13,390,870	5.96%	N.A.
2. Maruti Suzuki India Ltd	11,504,564	5.12%	N.A.
3. Larsen & Toubro Ltd	11,357,687	5.06%	N.A.
4. ITC Ltd	11,137,379	4.96%	N.A.
5. Kotak Mahindra Bank Ltd	10,763,163	4.79%	N.A.
6. ICICI Bank Ltd	10,337,095	4.60%	N.A.
7. HDFC Bank Ltd	9,579,239	4.27%	N.A.
8. Infosys Ltd	9,306,766	4.14%	N.A.
9. IndusInd Bank Ltd	7,563,171	3.37%	N.A.
10. Yes Bank Ltd	6,399,750	2.85%	N.A.
11. Hindustan Unilever Ltd	5,754,458	2.56%	N.A.
12. Hero Motocorp Ltd	5,635,403	2.51%	N.A.
13. Mahindra & Mahindra Ltd	5,265,342	2.34%	N.A.
14. Bajaj Finance Ltd	4,935,164	2.20%	N.A.
15. Tata Motors Ltd	4,864,173	2.17%	N.A.
16. State Bank of India	4,835,589	2.15%	N.A.
17. UltraTech Cement Ltd	4,783,062	2.13%	N.A.
18. Zee Entertainment Enterprises Ltd	4,702,744	2.09%	N.A.
19. Tata Consultancy Services Ltd	4,189,834	1.87%	N.A.
20. Vedanta Ltd	4,036,856	1.80%	N.A.
21. National Thermal Power Corporation Ltd	3,583,095	1.60%	N.A.
22. Tata Steel Ltd	3,555,745	1.58%	N.A.
23. Axis Bank Ltd	3,395,521	1.51%	N.A.
24. HCL Technologies Ltd	2,948,076	1.31%	N.A.
25. Cipla Ltd	2,898,851	1.29%	N.A.
26. Shree Cements Ltd	2,861,335	1.27%	N.A.
27. Hindustan Petroleum Corporation Ltd	2,837,366	1.26%	N.A.
28. Bharat Petroleum Corporation Ltd	2,775,957	1.24%	N.A.
29. Sun Pharmaceuticals Industries Ltd	2,691,381	1.20%	N.A.
30. Power Grid Corporation of India Ltd	2,626,950	1.17%	N.A.
31. Bajaj Finserv Ltd	2,262,804	1.01%	N.A.
32. Oil & Natural Gas Corporation Ltd	2,215,854	0.99%	N.A.
33. Adani Ports And Special Economic Zone Ltd	1,374,761	0.61%	N.A.
34. Dr Reddys Laboratories Ltd	1,366,976	0.61%	N.A.
35. Coal India Ltd	1,357,771	0.60%	N.A.
36. Hindalco Industries Ltd	1,355,059	0.60%	N.A.
37. Bharati Airtel Ltd	1,343,603	0.60%	N.A.
38. Gas Authority of India Ltd	1,326,712	0.59%	N.A.
39. Housing Development Finance Corporation Ltd	1,236,927	0.55%	N.A.
40. Bank of Baroda	1,155,152	0.51%	N.A.
41. Nestle India Limited	1,104,125	0.49%	N.A.
42. Indian Oil Corporation Ltd	988,034	0.44%	N.A.
43. Ambuja Cements Ltd	979,737	0.44%	N.A.
44. Wipro Ltd	977,232	0.44%	N.A.
45. Exide Industries Ltd	931,306	0.41%	N.A.
46. Capital First Ltd.	890,590	0.40%	N.A.
47. DCB Bank Limited	854,065	0.38%	N.A.
48. Asian Paints (India) Ltd	830,668	0.37%	N.A.
49. Cholamandalam Investment & Finance Company Ltd	784,236	0.35%	N.A.
50. Petronet LNG Ltd	682,502	0.30%	N.A.
51. Tata Motors Limited DVR	624,218	0.28%	N.A.
52. Dabur India Ltd	605,730	0.27%	N.A.
53. Cummins India Ltd	605,449	0.27%	N.A.
54. Ashok Leyland Ltd	601,097	0.27%	N.A.
55. Eicher Motors Ltd	561,839	0.25%	N.A.
56. Siemens Ltd	546,871	0.24%	N.A.
57. Britannia Industries Ltd	543,031	0.24%	N.A.
58. Federal Bank Ltd	533,848	0.24%	N.A.
59. Bharti Infratel Ltd	509,952	0.23%	N.A.
60. UPL Ltd	505,247	0.23%	N.A.
61. Godrej Consumer Products Ltd	477,958	0.21%	N.A.
62. Bharat Electronics Ltd	472,283	0.21%	N.A.
63. Bajaj Auto Ltd	460,191	0.20%	N.A.
64. Lupin Ltd	411,684	0.18%	N.A.
65. Rural Electrification Corporation Ltd	396,623	0.18%	N.A.
66. Oracle Financial Services Software Ltd	385,284	0.17%	N.A.
67. Tech Mahindra Ltd	353,460	0.16%	N.A.
68. Oil India Ltd	347,992	0.15%	N.A.
69. Havells India Ltd	330,475	0.15%	N.A.
70. Cadila Healthcare Ltd	301,024	0.13%	N.A.
71. Shriram Transport Finance Co. Ltd	300,504	0.13%	N.A.
72. United Spirits Ltd	268,537	0.12%	N.A.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
73. Glenmark Pharmaceuticals Ltd	220,773	0.10%	N.A.
74. Hindustan Zinc Ltd	207,130	0.09%	N.A.
75. LIC Housing Finance Ltd	202,634	0.09%	N.A.
76. MRF Ltd.	189,016	0.08%	N.A.
Equity Instruments Total	215,497,550	95.97%	
Money Market Instruments			
Liquid Mutual Funds			
1. ICICI Prudential Liquid - Direct Plan - Growth	7,588,000	3.38%	AAA
Money Market Instruments Total	7,588,000	3.38%	
Cash/Cash Equivalent & Net Current Assets	1,456,045	0.65%	
Grand Total	224,541,595	100.00%	
Average Maturity of Portfolio (in yrs)	N.A.		
Modified Duration (in yrs)	N.A.		
Yield to Maturity (%) (annualised) (at market price)	N.A.		
Credit Rating Exposure			
Central Government Securities	-	-	
State Development Loans	-	-	
AAA / equivalent	-	-	
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	-	-	
Bank FD	-	-	
Equity	215,497,550	95.97%	
Equity Mutual Funds	-	-	
Giit / Money Market Mutual Funds	7,588,000	3.38%	
Cash / cash equivalent net current assets	1,456,045	0.65%	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	224,541,595	100.00%	
Units Outstanding	13,672,041		
NAV	16.4234		
Notes:			
a. Total NPAs provided for and its percentage to NAV		-	
b. Total value and percentage of illiquid equity shares		-	
c. NAV at March 31,2017		15.1671	
d. NAV at September 30,2017		16.4234	
e. Total outstanding exposure in derivative instruments at September 30, 2017		-	
f. Total 'Infrastructure investments' September 30, 2017		-	

* 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017.

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

3.1 KEY STATISTICS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Sr No	Particulars	Scheme E Tier II	
		September 30, 2017	September 30, 2016
1	NAV per unit (₹) I Open High Low End	15.1671 17.1050 15.1126 16.4234	12.3003 14.6401 12.0125 14.1038
2	Closing Assets Under Management (₹ in Lakhs) End Average daily net assets (AAuM) II	2,245.42 1,728.71	645.50 465.99
3	Gross income as % of AAuM III	6.76%	13.13%
4	Expense ratio		
a	Total expense as % of AAuM (scheme wise) IV	0.01%	0.01%
b	Management fee as % of AAuM (scheme wise) V	0.01%	0.01%
5	Net income as % of AAuM VI	6.68%	12.57%
6	Portfolio turnover ratio VII	6.10%	19.44%
7	Total dividend per unit distributed during the period	N.A.	N.A.
8	Returns: (%)		
a	Last one year Benchmark VIII	16.45% 15.57%	12.32% 9.62%
b	Since inception IX Benchmark VIII	64.23% 82.56%	41.04% 57.97%
c	Compound annualised yield (%) X Last 1 year Last 2 year Last 3 year Since launch of the scheme	16.45% 14.37% 9.89% 12.65%	12.32% 6.75% 11.53% 11.47%
	Launch Date	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 = Total Income as per Revenue Account		
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		
VI	Net income = Surplus / Deficit as per Revenue Account		
VII	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		
VIII	Post changes in the PFRDA investment regulation vide circular No PFRDA/2015/PFM/08 in September 2015, company has changed the fund management strategy of the equity schemes for both Tier I and Tier II. Due to this change the benchmark of the schemes has been changed from Nifty 50 to Nifty 100 effective from October 01, 2015. The benchmark return mentioned above represents the return of existing scheme benchmark, which is Nifty 100.		
IX	The investments into the mandated assets of the fund started in March 2014. From the date of inception of the fund till March 2014 the inflows were invested in liquid schemes of mutual funds. As per prevailing fund objective of Tier II Scheme E, the fund could only invest in equity securities through Nifty 50 Index basket. There was a minimum threshold amount for investment in Nifty 50 basket and till the time investable amount reaches the threshold, it was invested temporarily in liquid and money market schemes of mutual funds. Due to small size of the fund this has affected the fund performance. Hence, Fund performance since inception of the scheme is not comparable with the benchmark.		
X	Compounded annualised yield is to be calculated based on following formula: $= (1 + \text{cumulative return})^n - 1$ (where n=365/no. of days)		



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

**Un-audited Financial Statements for the half year
ended September 30, 2017**

Contents

Balance Sheet

Revenue Account

Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER I**

UN-AUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme C Tier I	
		September 30, 2017	September 30, 2016
Liabilities			
Unit Capital	1	2,568,482,202	1,098,772,559
Reserves & Surplus	2	1,493,359,742	503,678,350
Current Liabilities and Provisions	3	2,353,942	881,630
Total		4,064,195,886	1,603,332,539
Assets			
Investments	4	3,915,222,533	1,543,602,003
Deposits	5	-	-
Other Current Assets	6	148,973,353	59,730,536
Total		4,064,195,886	1,603,332,539
(a) Net asset as per Balance Sheet (Schedule 4+5+6 -3)		4,061,841,944	1,602,450,909
(b) Number of units outstanding		256,848,220	109,877,256
(c) NAV per unit (a)/(b) (₹)*		15.8141	14.5840
Significant accounting policies and notes to accounts	7		

* 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme C Tier I	
		September 30, 2017	September 30, 2016
Income			
Interest		137,159,461	53,312,229
Profit on sale/redemption of investments		3,514,042	1,439,416
Unrealised gain on appreciation in investments		16,712,173	50,507,977
Total Income (A)		157,385,676	105,259,622
Expenses & Losses			
Loss on sale/redemption of investments		25,401	-
Management fees (including service tax)		204,460	74,507
NPS Trust fees		175,305	64,870
Custodian fees		65,427	46,729
CRA fees		2,669,544	2,450,776
Less : Amount recoverable on sale of units on account of CRA Charges		(2,669,544)	(2,450,776)
Depository and settlement charges		8,196	-
Total Expenditure (B)		478,789	186,106
Surplus/(Deficit) for the year (A-B = C)		156,906,887	105,073,516
Less: Amount transferred to Unrealised appreciation account		(16,712,173)	(50,507,977)
Less: Amount transferred to General Reserve		(140,194,714)	(54,565,539)
Amount carried forward to Balance Sheet		-	-
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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

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

Schedule 1: Unit capital

(In ₹)

Particulars	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Initial capital		
Unit capital		
Outstanding at the beginning of the period	1,909,945,530	752,163,302
Add :Units issued during the period	712,644,898	365,324,176
Less: Units redeemed during the period	(54,108,226)	(18,714,919)
Outstanding at the end of the period	2,568,482,202	1,098,772,559
(Face Value of Rs.10/- each unit, fully paid up)		
Outstanding units at the beginning of the period	190,994,553	75,216,330
Add :Units issued during the period	71,264,490	36,532,418
Less: Units redeemed during the period	(5,410,823)	(1,871,492)
Outstanding Units at the end of the period	256,848,220	109,877,256

Schedule 2: Reserves and surplus

(In ₹)

Particulars	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Unit premium reserve		
Opening balance	753,632,602	214,545,981
Add: Premium on Units issued	391,207,923	145,636,538
Less: Premium on Units redeemed	(29,579,072)	(7,381,868)
Closing balance	1,115,261,453	352,800,651
General Reserve		
Opening balance	177,022,348	38,222,390
Add/(Less): Transfer from/(to) Revenue Account	140,194,714	54,565,539
Closing balance	317,217,062	92,787,929
Unrealised Appreciation Reserve		
Opening balance	44,169,054	7,581,793
Add/(Less): Transfer from/(to) Revenue Account	16,712,173	50,507,977
Closing balance	60,881,227	58,089,770
Total	1,493,359,742	503,678,350

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Current liabilities		
Sundry creditors for expenses	331,185	140,750
Redemption Payable	2,018,443	732,900
TDS Payable	4,314	1,273
Provisions*	-	6,707
Total	2,353,942	881,630

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

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER I**

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

Schedule 4: Investments (Long Term and Short Term)**(In ₹)**

Particulars	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Debentures and Bonds Listed/Awaiting Listing	3,782,720,533	1,526,848,504
Others - Mutual Fund Units	132,502,000	16,753,499
Total	3,915,222,533	1,543,602,003

Schedule 5: Deposits**(In ₹)**

Particulars	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Deposits with scheduled banks	-	-
Total	-	-

Schedule 6: Other current assets**(In ₹)**

Particulars	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Balances with banks in current account	25,046	540
Outstanding and accrued income	148,946,307	59,729,996
Brokerage receivable from PFM	2,000	-
Total	148,973,353	59,730,536

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

Schedule 7

Significant accounting policies & notes to accounts for the half year ended September 30, 2017

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 and Karvy Computershare Pvt. Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt. Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS. Some of the key responsibilities of the CRA include the following:

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

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

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. 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 C TIER I being managed by the Company.

The Company manages eight separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C, G and A 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

Scheme A – Alternate Investment funds

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 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:

Debt securities (other than government securities) with a residual maturity over/upto 60 days are valued at National Stock Exchange (NSE) weighted average traded price on that day.

Securities not traded at a stock exchange:

Non-traded debt securities (i.e. securities not traded on a day) with a residual maturity over 60 days are valued on a yield to maturity basis by using the benchmark rate / matrix of spread over risk free benchmark yield obtained from CRISIL and ICRA.

Non-traded debt securities (i.e. securities not traded on a day) with a residual maturity upto 60 days are valued at last valuation price plus the difference between redemption price and last valuation price, spread uniformly over the remaining maturity period of the instrument.

Valuation of securities having call and/or Put options:

- a) Callable Bonds with single / daily / multiple call options will be valued at lowest value basis.
- b) Puttable Bonds with single / daily / multiple call options will be valued at highest value basis.
- c) The securities with both Call & Put options on the same day would be deemed to mature on the Call/Put day and will be valued accordingly.
- d) For perpetual bonds with single / daily / multiple call options, the price for all options dates till the maturity date will be computed and the lowest price will be used for valuing the bonds.

Valuation of Partly Paid up Bonds

Partly paid bonds will be valued on the paid up value of the bonds till it is fully paid.

Valuation of debt securities below Investment grade of BBB-

Valuation of performing non-government debt securities below Investment grade of BBB- at a discount of 25% to face value (as per SEBI guideline CIR MFD/CIR/8/92/2000 dated September 18,2000)

Valuation of Money Market Investment and Mutual Fund

Money market instruments like treasury bills, commercial paper, and certificate of deposit are valued at amortised cost. If they are traded, then they are valued at the last traded price on NSE.

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

1.4 Income Recognition

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

Accretion of discount and amortisation of premium relating to debt securities like Zero Coupon Bond and Money Market Investment are recognised over the holding / maturity period on a straight-line basis.

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

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

1.5 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) are recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

1.6 Units reconciliation

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

1.7 Investment management fees

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

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from 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.

1.8 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from November 01, 2015 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

1.9 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.

2 Unit Premium Reserve

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

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

Notes to accounts (Un-audited)

2.1 Contingent liabilities

(In ₹)

Particulars	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Uncalled liability on partly paid shares	NIL	NIL
Other commitments	NIL	NIL

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
Mr. Fagun Pancholi	Key Management Personnel
Mr. Nagesh Pai	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended September 30, 2017

(In ₹)

Nature of Transaction	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Investment management fees	204,460	74,507

Balances with HDFC Pension Management Company Limited are as follows:

(In ₹)

Nature of Transaction	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Investment management fees payable	106,205	41,843

Aggregate investments made in the Associates and group companies as at September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme C Tier I			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
HDFC Ltd	NCD	161,926,880	163,980,109	NIL	NIL

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 September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme C Tier I			
		As at September 30, 2017		As at September 30, 2016	
		Cost	Market Value	Cost	Market Value
		NIL	NIL	NIL	NIL

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Average Net Asset Value	3,496,515,599	1,293,848,540
Purchase of Investment	9,159,317,160	3,376,223,161
% to average Net Assets Value	261.96%	260.94%
Sale of Investment	8,069,481,084	2,840,662,486
% to average Net Assets Value	230.79%	219.55%

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

Notes to accounts (Un-audited)

Aggregate value of purchase and sale (excluding liquid mutual fund)* with percentage to average assets as at September 30, 2017 is as follows :

(In ₹)

Particular	Scheme C Tier I	
	September 30, 2017	September 30, 2016
Average Net Asset Value	3,496,515,599	1,293,848,540
Purchase of Investment	1,175,287,760	549,141,073
% to average Net Assets Value	33.61%	42.44%
Sale of Investment	111,362,063	23,749,961
% to average Net Assets Value	3.18%	1.84%

*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:

(In ₹)

Industry Classification	As at September 30, 2017		As at September 30, 2016	
	Market value	% of Industry Classification	Market value	% of Industry Classification
Other credit granting	1,219,969,973	30.03%	549,993,136	34.32%
Activities of specialized institutions granting credit for house purchases	546,479,053	13.45%	136,629,695	8.53%
Monetary intermediation of commercial / saving / postal banks	526,241,874	12.96%	213,096,326	13.30%
Service activities incidental to water transportation	345,783,930	8.51%	130,177,918	8.12%
Electric Power Generation, Transmission and Distribution	339,081,142	8.35%	96,843,362	6.04%
Transmission of Electric Energy	307,145,848	7.56%	93,288,469	5.82%
Activity of commission agents dealing in wholesale trade in agriculture	230,158,551	5.67%	74,067,730	4.62%
Trusts, Funds and Other Financial Vehicles	149,074,527	3.67%	145,597,525	9.09%
Others (Industries constitute less than 5%)	118,785,634	2.92%	87,154,343	5.44%
Mutual Funds	132,502,001	3.26%	16,753,499	1.05%
Net Current Assets	146,619,411	3.61%	58,848,906	3.67%
Net Asset Value	4,061,841,944	100.00%	1,602,450,909	100.00%

Note :

1. Industry classification has been taken at sub class level of National Industrial Classification (NIC) 2008.

2.7 Age wise disclosure for Shares/debentures/ others application money pending allotment.

(In ₹)

Security Name	Asset Type	Ageing	Scheme C Tier I	
			September 30, 2017	September 30, 2016
	NIL	NIL	NIL	NIL

2.8 Prior Year Comparatives :

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

2.9A Note on status of litigation matters with PFRDA

The Company is a wholly owned subsidiary of HDFC Standard Life Insurance Company Ltd. and has been a licensed pension fund manager since 2013. In 2014, the Pension Fund Regulatory & Development Authority ("PFRDA") issued a Request for Proposal ("RFP") inviting bids from Sponsors to select new pension fund managers. The bid of HDFC Life to this RFP was rejected by the PFRDA on the ground that it did not meet certain eligibility criteria under the RFP. The Hon'ble Delhi High Court, however, set aside the rejection, directing the PFRDA to grant a Letter of Appointment to HDFC Life thereby allowing the Company to continue its business. While the PFRDA issued a letter of appointment to HDFC Life, it also challenged the Hon'ble High Court's decision before the Hon'ble Supreme Court of India by way of a Special Leave Petition ("SLP"). The Hon'ble Supreme Court, by its order dated July 31, 2017, has dismissed the PFRDA's SLP and refused to interfere with the Hon'ble High Court's decision. Accordingly, the Letter of Appointment issued to HDFC Life stands unqualified, with the appointment of HDFC Pension as a pension fund manager being confirmed.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
Debt Instruments			
PSU/PFI Bonds			
1. 9.95% Food Corporation of India Ltd Mat 07-Mar-2022	162,056,728	3.99%	AAA
2. 7.25% Nuclear Power Corp. Mat 15-Dec-2031 (SR-XXXIII TRCH-E)	146,190,305	3.60%	AAA
3. 9.34% Rural Electrification Corp Ltd Mat 25-Aug-2024	122,978,443	3.03%	AAA
4. 7.83%IRFC NCD Mat 21-Mar-2027	102,529,400	2.52%	AAA
5. 7.55% Power Grid NCD Mat 21-Sep-2031	95,195,138	2.34%	AAA
6. 9.02% Rural Electrification Corp Ltd Mat 19-Nov-2022	66,667,980	1.64%	AAA
7. 9.30% Power Grid NCD Mat 04-Sep-2024	55,131,000	1.36%	AAA
8. 8.18% EXIM Bank NCD Mat 07-Dec-2025	54,130,111	1.33%	AAA
9. 8.85% Power Grid NCD Mat 19-Oct-2024	53,965,921	1.33%	AAA
10. 8.15% EXIM Bank NCD Mat 21-Jan-2030	52,665,737	1.30%	AAA
11. 8.94% Power Finance Corp Ltd. Mat 25-Mar-2028	50,778,715	1.25%	AAA
12. 8.62% Food Corporation of India Ltd Mat 22-Mar-2023	50,599,226	1.25%	AAA
13. 7.50% Power Finance Corporation Ltd.Mat 16-Aug-2021	50,560,988	1.24%	AAA
14. 7.25% Nuclear Power Corp. Mat 15-Dec-2029 (SR-XXXIII TRCH-C)	49,670,065	1.22%	AAA
15. 7.40% Power Finance Corporation Ltd.Mat 30-Sep-2021	47,396,631	1.17%	AAA
16. 7.49% IRFC NCD Mat 30-May-2027	47,070,763	1.16%	AAA
17. 7.25% Nuclear Power Corp. Mat 15-Dec-2028 (SR-XXXIII TRCH-B)	46,705,884	1.15%	AAA
18. 7.27% IRFC NCD Mat 15-June-2027	46,382,331	1.14%	AAA
19. 9.17% NTPC NCD Mat 22-Sep-2024	32,669,608	0.80%	AAA
20. 8.57% Rural Electrification Corp Ltd Mat 21-Dec-2024	31,758,596	0.78%	AAA
21. 8.80% Rural Electrification Corp Ltd Mat 25-Oct-2020	31,420,663	0.77%	AAA
22. 8.40% Nuclear Power Corp. Mat 28-Nov-2025 (SR-XXIX TRCH-A)	30,839,964	0.76%	AAA
23. 8.11% Rural Electrification Corp Ltd Mat 07-Oct-2025	30,060,405	0.74%	AAA
24. 8.49% NTPC NCD Mat 25-Mar-2025	29,657,784	0.73%	AAA
25. 8.14% Nuclear Power Corp. Mat 25-Mar-2026(Tranche A)	27,311,478	0.67%	AAA
26. 8.30% Rural Electrification Corp Ltd Mat 10-Apr-2025	24,257,042	0.60%	AAA
27. 8.32% Power Grid NCD Mat 23-Dec-2030	23,535,842	0.58%	AAA
28. 8.82% Rural Electrification Corp. Ltd. Mat 12-Apr-2023	23,514,238	0.58%	AAA
29. 9.30% Power Grid NCD Mat 28-Jun-2026	22,264,319	0.55%	AAA
30. 8.40% Power Grid NCD Mat 27-May-2029	19,267,938	0.47%	AAA
31. 8.65% Power Finance Corporation Ltd.Mat-28-Dec-2024	18,909,000	0.47%	AAA
32. 8.10% EXIM Bank NCD Mat 19-Nov-2025	18,650,718	0.46%	AAA
33. 8.50% EXIM Bank Mat 08-Jul-2023	17,872,191	0.44%	AAA
34. 8.38% Power Finance Corporation Ltd.Mat-27-April-2020	17,516,526	0.43%	AAA
35. 8.80% Food Corporation of India Ltd Mat 22-Mar-2028	17,502,597	0.43%	AAA
36. 10.70%IRFC NCD Mat 11-Sep-2023	17,477,152	0.43%	AAA
37. 8.70% Power Grid NCD Mat 15-Jul-2028	16,332,550	0.40%	AAA
38. 9.39% Power Finance Corporation Ltd.Mat 27-Aug-2024	15,408,953	0.38%	AAA
39. 8.70% Power Finance Corporation Ltd.Mat 14-May-2025	14,951,015	0.37%	AAA
40. 8.83% IRFC NCD Mat 14-May-2031	14,627,837	0.36%	AAA
41. 8.95%IRFC NCD Mat 10-Mar-2025	14,174,891	0.35%	AAA
42. 9.15% EXIM Bank NCD Mat 05-Sep-2022	12,960,088	0.32%	AAA
43. 9.35% Rural Electrification Corp Ltd Mat 15-Jun-2022	10,847,222	0.27%	AAA
44. 8.80% Power Finance Corporation Ltd. Mat 15-Jan-2025	10,716,264	0.26%	AAA
45. 8.14% Nuclear Power Corp. Mat 25-Mar-2028 (Tranche C)	10,584,847	0.26%	AAA
46. 8.23% Rural Electrification Corp Ltd Mat 23-Jan-2025	10,405,080	0.26%	AAA
47. 8.20% Power Finance Corporation Ltd.Mat 10-Mar-2025	10,389,649	0.26%	AAA
48. 8.52% Power Finance Corporation Ltd.Mat-09-Dec-2019	10,306,892	0.25%	AAA
49. 8.75% Power Finance Corporation Ltd. Mat 15-Jun-2025	9,642,992	0.24%	AAA
50. 8.56% Nuclear Power Corp. Mat 15-Mar-2023 (Tranche C)	9,532,160	0.23%	AAA
51. 8.14% Nuclear Power Corp. Mat 25-Mar-2027 (Tranche B)	9,491,450	0.23%	AAA
52. 8.85% Power Finance Corporation Ltd.Mat 15-Jun-2030	7,773,879	0.19%	AAA
53. 8.83% IRFC NCD Mat 14-May-2034	6,819,550	0.17%	AAA
54. 8.55% Power Finance Corporation Ltd.Mat 09-Dec-2021	6,292,523	0.15%	AAA
55. 8.83% IRFC NCD Mat 14-May-2035	5,703,385	0.14%	AAA
56. 8.40% Nuclear Power Corp. Mat 28-Nov-2026 (SR-XXIX TRCH-B)	5,351,406	0.13%	AAA
57. 8.44% Rural Electrification Corp Ltd Mat 04-Dec-2021	5,225,385	0.13%	AAA
58. 8.79% IRFC NCD Mat 04-May-2030	4,474,361	0.11%	AAA
59. 8.93% Power Grid NCD Mat 20-Oct-2027	4,403,706	0.11%	AAA
60. 8.25% EXIM Bank NCD Mat 23-Jun-2031	4,240,684	0.10%	AAA
61. 8.93% Power Grid NCD Mat 20-Oct-2020	4,202,531	0.10%	AAA
62. 8.70% Power Finance Corp Ltd Mat 14-May-2020	4,152,594	0.10%	AAA
63. 9.46% Power Finance Corporation Ltd.Mat 01-Aug-2026	3,374,432	0.08%	AAA
64. 9.48% Rural Electrification Corp Ltd Mat 10-Aug-2021	3,222,084	0.08%	AAA
65. 8.68%IRFC NCD Mat 29-Nov-2021	3,176,253	0.08%	AAA
66. 8.27% Rural Electrification Corp Ltd Mat 09-Mar-2022	3,123,000	0.08%	AAA
67. 7.74%IRFC NCD Mat 22-Dec-2020	3,071,233	0.08%	AAA
68. 8.84% Power Grid NCD Mat 21-Oct-2023	2,674,706	0.07%	AAA
69. 8.64% Power Grid NCD Mat 08-Jul-2024	2,655,468	0.07%	AAA

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
70. 9.18% Nuclear Power Corp. Mat 23-Jan-2028(Tranche D)	2,263,493	0.06%	AAA
71. 8.93% Power Grid NCD Mat 20-Oct-2028	2,215,073	0.05%	AAA
72. 8.93% Power Grid NCD Mat 20-Oct-2024	2,167,191	0.05%	AAA
73. 9.75% EXIM Bank NCD Mat 04-Oct-2020	2,143,358	0.05%	AAA
74. 8.93% Power Grid NCD Mat 20-Oct-2021	2,121,281	0.05%	AAA
75. 8.50% NHPC NCD Mat 14-July-2023	1,577,178	0.04%	AAA
76. 9.47% IRFC NCD Mat 10-May-2031	1,182,200	0.03%	AAA
77. 9.18% Nuclear Power Corp. Mat 23-Jan-2029(Tranche E)	1,140,090	0.03%	AAA
78. 9.75% Rural Electrification Corp Ltd Mat 11-Nov-2021	1,070,000	0.03%	AAA
79. 9.20% Power Finance Corp Ltd Mat 07-Jul-2021	1,065,435	0.03%	AAA
80. 8.83% IRFC NCD Mat 25-Mar-2023	1,063,520	0.03%	AAA
81. 8.64% IRFC NCD Mat 17-May-2021	1,053,277	0.03%	AAA
82. 11.15% Rural Electrification Corp Ltd Mat 24-Oct-2018	1,042,915	0.03%	AAA
83. 8.36% Rural Electrification Corp Ltd Mat 22-SEP-2020	1,034,733	0.03%	AAA
84. 7.94% EXIM Bank Mat 22-May-2023	1,025,138	0.03%	AAA
85. 8.55% IRFC NCD Mat 15-Jan-2019	1,021,024	0.03%	AAA
86. 8.70% Power Grid NCD Mat 15-Jul-2018	1,013,184	0.02%	AAA
87. 8.95% Power Finance Corp Ltd Mat 11-Mar-2018	1,009,040	0.02%	AAA
Private Corporate Bonds			
1. 8.67% IDFC Bank Ltd NCD Mat 03-Jan-2025	183,286,603	4.51%	AAA
2. 8.45% Reliance Ports and Terminal Ltd NCD Mat 12-Jun-2023	126,859,806	3.12%	AAA
3. 7.90% Reliance Ports and Terminal Ltd NCD Mat 18-Nov-2026	115,066,907	2.83%	AAA
4. 10.40% Reliance Ports and Terminal Ltd NCD Mat 18-Jul-2021	103,857,217	2.56%	AAA
5. 9.20% Capital First Ltd Mat 22-Jan-2021	75,898,251	1.87%	AA+
6. 8.89% LIC Housing Finance Ltd. Mat 25-Apr-2023	64,012,835	1.58%	AAA
7. 9.17% IDFC Bank Ltd NCD Mat 14-Oct-2024	63,587,400	1.57%	AAA
8. 8.50% LIC Housing Finance Co. Ltd. Mat 29-Aug-2025	60,350,636	1.49%	AAA
9. 9.00% LIC Housing Finance Ltd. Mat 09-April-2023	53,563,561	1.32%	AAA
10. 8.44% HDFC Ltd Mat 01-Jun-2026	52,962,076	1.30%	AAA
11. 8.75% HDFC Ltd Mat 04-Mar-2021	52,510,690	1.29%	AAA
12. 8.35% HDFC Ltd Mat 13-May-2026	52,224,600	1.29%	AAA
13. 9.20% Capital First Ltd Mat 29-Jan-2021	51,994,268	1.28%	AA+
14. 8.55% Bajaj Finance Ltd NCD Mat 26-Apr-2021	50,504,367	1.24%	AAA
15. 10.15% Bajaj Finance Ltd NCD Mat 19-Sep-2024	47,839,683	1.18%	AAA
16. 10% Shriram Transport Fin NCD Mat 13-Nov-2024	44,634,545	1.10%	AA+
17. 8.94% Bajaj Finance Ltd NCD Mat 07-Nov-2025	40,162,371	0.99%	AAA
18. 10.25% Shriram Transport Fin NCD Mat 10-Oct-2024	31,929,475	0.79%	AA+
19. 9.30% LIC Housing Finance Ltd. Mat 14-Sep-2022	31,487,280	0.78%	AAA
20. 9.22% LIC Housing Finance Co. Ltd. Mat 16-Oct-2024	30,773,386	0.76%	AAA
21. 7.59% LIC Housing Finance Ltd. Mat 14-Oct-2021	28,416,618	0.70%	AAA
22. 8.95% LIC Housing Finance Co. Ltd. Mat 15-Sep-2020	26,243,800	0.65%	AAA
23. 9.36% IDFC Bank Ltd NCD Mat 21-Aug-2024	24,184,336	0.60%	AAA
24. 9.60% LIC Housing Finance Ltd. Mat 07-Mar-2021	21,508,073	0.53%	AAA
25. 9.00% LIC Housing Finance Ltd. Mat-23-Nov-2020	21,074,207	0.52%	AAA
26. 9.05% Shriram Transport Fin NCD Mat 30-Jun-2021	20,691,782	0.51%	AA+
27. 10.25% Shriram Transport Fin NCD Mat 18-Sep-2024	19,806,324	0.49%	AA+
28. 9.45% LIC Housing Finance Co. Ltd. Mat 30-Jan-2022	19,485,614	0.48%	AAA
29. 8.70% IDFC Bank Ltd NCD Mat 23-Jun-2025	17,100,601	0.42%	AAA
30. 8.75% IDFC Bank Ltd NCD Mat 28-Jul-2023	17,012,692	0.42%	AAA
31. 10.35% United Phosphorus Ltd. NCD Mat 08-Jun-2019	16,770,415	0.41%	AA+
32. 9.22% Shriram Transport Fin NCD Mat 13-Apr-2026	14,758,581	0.36%	AA+
33. 9.43% LIC Housing Finance Co. Ltd. Mat 10-Feb-2022	12,986,673	0.32%	AAA
34. 8.49% IDFC Bank Ltd NCD Mat 11-Dec-2024	12,674,277	0.31%	AAA
35. 8.90% IDFC Bank Ltd NCD Mat 19-Nov-2025	10,835,896	0.27%	AAA
36. 10.15% Shriram Transport Fin NCD Mat 15-Jul-2021	10,696,777	0.26%	AA+
37. 9.30% Shriram Transport Fin NCD Mat 18-Mar-2026	10,586,043	0.26%	AA+
38. 8.85% Bajaj Finance Ltd NCD Mat 21-Jul-2026	10,568,106	0.26%	AAA
39. 8.89% IDFC Bank Ltd NCD Mat 02-Dec-2020	10,510,099	0.26%	AAA
40. 9.25% Shriram Transport Fin NCD Mat 18-Mar-2021	10,426,754	0.26%	AA+
41. 8.40 % L&T NCD Mat 24 Sep 2020	10,358,589	0.26%	AAA
42. 9.15% Shriram Transport Fin NCD Mat 13-Apr-2021	9,364,142	0.23%	AA+
43. 8.90% HDFC Ltd Mat 18-Aug-2020	6,282,743	0.15%	AAA
44. 9.38% IDFC Bank Ltd NCD Mat 12-Sep-2024	5,498,602	0.14%	AAA
45. 8.73% IDFC Bank Ltd NCD Mat 14-Jun-2022	5,303,310	0.13%	AAA
46. 8.75% Mahindra and Mahindra Financial Services Ltd Mat 09-Oct-2025	5,228,917	0.13%	AAA
47. 9.25% Tata Sons Ltd NCD Mat 19-Jun-2019	5,179,998	0.13%	AAA
48. 8.70% IDFC Bank Ltd NCD Mat 20-May-2025	4,272,214	0.11%	AAA
49. 8.64% IDFC Bank Ltd NCD Mat 15-Apr-2020	4,142,729	0.10%	AAA
50. 9.50% IL&FS Ltd. NCD Mat 28-Jul-2024	3,119,089	0.08%	AAA
51. 8.68% LIC Housing Finance Ltd. Mat 30-Mar-2020	3,107,955	0.08%	AAA
52. 9.80% L&T Infrastructure Finance Ltd Mat 16-Jan-2019	2,560,320	0.06%	AA+
53. 9.47% LIC Housing Finance Ltd Mat 23-Aug-2024	2,210,425	0.05%	AAA
54. 9.55% IL&FS Ltd. NCD Mat 13-Aug-2024	2,158,640	0.05%	AAA
55. 9.55% Hindalco Ind. Ltd. NCD Mat 27-Jun-2022	2,134,233	0.05%	AA
56. 9.44% LIC Housing Finance Co. Ltd. Mat 30-Aug-2019	2,087,166	0.05%	AAA

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
57. 8.69% IL&FS Ltd. NCD Mat 25-Aug-2025	2,083,274	0.05%	AAA
58. 9.43% Tata Sons Ltd NCD Mat 02-Jun-2019	2,076,497	0.05%	AAA
59. 10% Shriram Transport Fin NCD Mat 15-Jul-2019	2,072,726	0.05%	AA+
60. 9.74% Tata Sons Ltd NCD Mat 13-Jan-2024	1,115,808	0.03%	AAA
61. 10.24% L&T Finance Ltd Mat 17-Sep-2019	1,048,026	0.03%	AA+
62. 8.97% Tata Sons Ltd NCD Mat 15-Jul-2020	1,047,258	0.03%	AAA
63. 8.72% IDFC Bank Ltd NCD Mat 29-Sep-2020	1,044,417	0.03%	AAA
64. 8.37% LIC Housing Finance Co. Ltd. Mat-21-May-2023	1,044,365	0.03%	AAA
65. 9.45% LIC Housing Finance Co. Ltd. Mat 10-Sep-2019	1,044,108	0.03%	AAA
66. 9.51% LIC Housing Finance Co. Ltd. Mat 24-Jul-2019	1,041,951	0.03%	AAA
67. 8.90% IDFC Bank Ltd NCD Mat 29-Sep-2019	1,035,413	0.03%	AAA
68. 9.18% IDFC Bank Ltd NCD Mat 11-Jun-2024	1,034,066	0.03%	AAA
69. 9.63% LIC Housing Finance Co. Ltd. Mat 22-Jan-2019	1,031,980	0.03%	AAA
70. 9.33% IDFC Bank Ltd NCD Mat 14-Mar-2026	1,031,194	0.03%	AAA
71. 9.65% LIC Housing Finance Co. Ltd. Mat 01-Nov-2018	1,028,311	0.03%	AAA
72. 10.75% Shriram Transport Finance-Series II Mat 24-Oct-2018	409,814	0.01%	AA+
Debt Instruments Total	3,782,720,532	93.13%	
Money Market Instruments			
Liquid Mutual Funds			
1. Reliance Liquidity Fund - Direct Growth Plan - Growth Option	132,502,001	3.26%	AAA
Money Market Instruments Total	132,502,001	3.26%	
Cash/Cash Equivalent & Net Current Assets	146,619,411	3.61%	
Grand Total	4,061,841,944	100.00%	
Average Maturity of Portfolio (in yrs) #	7.23		
Modified Duration (in yrs) #	4.98		
Yield to Maturity (%) (annualised) (at market price) #	7.44%		
Credit Rating Exposure			
Central Government Securities	-	-	
State Development Loans	-	-	
AAA / equivalent	3,456,938,056	85.11%	
A1+ / equivalent (Certificate of Deposits / Commercial Papers)	-	-	
AA+ / equivalent	323,648,243	7.97%	
AA / equivalent	2,134,233	0.05%	
AA- / equivalent	-	-	
A+ / equivalent	-	-	
A / equivalent	-	-	
A- / equivalent	-	-	
BBB+ / equivalent	-	-	
BBB / equivalent	-	-	
BBB- / equivalent	-	-	
Lower (Below Investment Grade)	-	-	
(out of above Net NPA)	-	-	
TOTAL	3,782,720,532	93.13%	
Bank FD	-	-	
Equity	-	-	
Equity Mutual Funds	-	-	
Gilt / Money Market Mutual Funds	132,502,001	3.26%	
Cash / cash equivalent net current assets	146,619,411	3.61%	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	4,061,841,944	100.00%	
Units Outstanding	256,848,220		
NAV*	15.8141		

Notes:

a. Total NPAs provided for and its percentage to NAV	-
b. Total value and percentage of illiquid equity shares	-
c. NAV at March 31,2017	15.1039
d. NAV at September 30,2017*	15.8141
e. Total outstanding exposure in derivative instruments at September 30, 2017	-
f. Total 'Infrastructure investments' September 30, 2017	1,985,534,890

Calculated on debt portfolio

** 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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

3.1 KEY STATISTICS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Sr No	Particulars	Scheme C Tier I	
		September 30, 2017	September 30, 2016
1	NAV per unit (₹) I		
	Open	15.1039	13.4613
	High	15.8517	14.5856
	Low	15.0322	13.5316
	End	15.8108	14.5840
2	Closing Assets Under Management (₹ in Lakhs)		
	End	40,618.42	16024.51
	Average daily net assets (AAuM) II	34,965.16	12938.49
3	Gross income as % of AAuM III	4.50%	8.14%
4	Expense ratio		
a	Total expense as % of AAuM (scheme wise) IV	0.01%	0.01%
b	Management fee as % of AAuM (scheme wise) V	0.01%	0.01%
5	Net income as % of AAuM VI	4.49%	8.12%
6	Portfolio turnover ratio VII	3.18%	1.84%
7	Total dividend per unit distributed during the period	N.A.	N.A.
8	Returns: (%)		
a	Last one year	8.41%	12.49%
	Benchmark	7.88%	12.89%
b	Since inception	58.11%	45.84%
	Benchmark	57.10%	45.62%
c	Compound annualised yield (%) VIII		
	Last 1 year	8.41%	12.49%
	Last 2 year	10.43%	13.24%
	Last 3 year	11.61%	12.73%
	Since launch of the scheme	11.63%	12.65%
	Launch Date	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 = Total Income as per Revenue Account		
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		
VI	Net income = Surplus / Deficit as per Revenue Account		
VII	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		
VIII	Compounded annualised yield is to be calculated based on following formula: = (1+ cumulative return)^n -1 (where n=365/no. of days)		



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

**Un-audited Financial Statements for the half year
ended September 30, 2017**

Contents

Balance Sheet

Revenue Account

Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER II**

UN-AUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme C Tier II	
		September 30, 2017	September 30, 2016
Liabilities			
Unit Capital	1	108,436,846	40,113,939
Reserves & Surplus	2	53,463,987	15,000,121
Current Liabilities and Provisions	3	87,009	182,106
Total		161,987,842	55,296,166
Assets			
Investments	4	156,293,298	53,238,145
Deposits	5	-	-
Other Current Assets	6	5,694,544	2,058,021
Total		161,987,842	55,296,166
(a) Net asset as per Balance Sheet (Schedule 4+5+6 -3)		161,900,833	55,114,060
(b) Number of units outstanding		10,843,685	4,011,394
(c) NAV per unit (a)/(b) (₹)*		14.9304	13.7393
Significant accounting policies and notes to accounts	7		

* 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme C Tier II	
		September 30, 2017	September 30, 2016
Income			
Interest		4,870,690	1,693,893
Profit on sale/redemption of investments		112,557	43,361
Unrealised gain on appreciation in investments		874,312	1,748,630
Total Income (A)		5,857,559	3,485,884
Expenses & Losses			
Management fees (including service tax)		7,327	2,403
NPS Trust fees		6,277	2,092
Custodian fees		2,345	1,494
CRA fees		15,745	10,438
Less : Amount recoverable on sale of units on account of CRA Charges		(15,745)	(10,438)
Depository and settlement charges		982	-
Total Expenditure (B)		16,931	5,989
Surplus/(Deficit) for the year (A-B = C)		5,840,628	3,479,895
Less: Amount transferred to Unrealised appreciation account		(874,312)	(1,748,630)
Less: Amount transferred to General Reserve		(4,966,316)	(1,731,265)
Amount carried forward to Balance Sheet		-	-
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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

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

Schedule 1: Unit capital

(In ₹)

Particulars	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Initial capital		
Unit capital		
Outstanding at the beginning of the period	62,979,573	25,261,091
Add :Units issued during the period	59,537,069	18,303,030
Less: Units redeemed during the period	(14,079,796)	(3,450,182)
Outstanding at the end of the period	108,436,846	40,113,939
(Face Value of Rs.10/- each unit, fully paid up)		
Outstanding units at the beginning of the period	6,297,957	2,526,109
Add :Units issued during the period	5,953,707	1,830,303
Less: Units redeemed during the period	(1,407,980)	(345,018)
Outstanding Units at the end of the period	10,843,685	4,011,394

Schedule 2: Reserves and surplus

(In ₹)

Particulars	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Unit premium reserve		
Opening balance	18,989,030	4,840,262
Add: Premium on Units issued	27,567,485	5,869,883
Less: Premium on Units redeemed	(6,527,451)	(1,068,256)
Closing balance	40,029,064	9,641,889
General Reserve		
Opening balance	6,369,934	1,799,588
Add/(Less): Transfer from/(to) Revenue Account	4,966,316	1,731,265
Closing balance	11,336,250	3,530,853
Unrealised Appreciation Reserve		
Opening balance	1,224,361	78,749
Add/(Less): Transfer from/(to) Revenue Account	874,312	1,748,630
Closing balance	2,098,673	1,827,379
Total	53,463,987	15,000,121

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Current liabilities & Provisions		
Sundry creditors for expenses	13,084	4,903
Redemption Payable	73,753	176,901
TDS Payable	172	44
Provisions*	-	258
Total	87,009	182,106

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

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME C TIER II**

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

Schedule 4: Investments (Long Term and Short Term)**(In ₹)**

Particulars	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Debentures and Bonds Listed/Awaiting Listing	152,990,299	51,873,146
Others - Mutual Fund Units	3,302,999	1,364,999
Total	156,293,298	53,238,145

Schedule 5: Deposits**(In ₹)**

Particulars	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Deposits with scheduled banks	-	-
Total	-	-

Schedule 6: Other current assets**(In ₹)**

Particulars	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Balances with banks in current account	4,862	451
Outstanding and accrued income	5,689,682	2,057,570
Total	5,694,544	2,058,021

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

Schedule 7

Significant accounting policies & notes to accounts for the half year ended September 30, 2017

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 and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt. Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS. Some of the key responsibilities of the CRA include the following:

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

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

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. 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 C TIER II being managed by the Company.

The Company manages eight separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C, G and A 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

Scheme A – Alternate Investment funds

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 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:

Debt securities (other than government securities) with a residual maturity over/upto 60 days are valued at National Stock Exchange (NSE) weighted average traded price on that day.

Securities not traded at a stock exchange:

Non-traded debt securities (i.e. securities not traded on a day) with a residual maturity over 60 days are valued on a yield to maturity basis by using the benchmark rate / matrix of spread over risk free benchmark yield obtained from CRISIL and ICRA.

Non-traded debt securities (i.e. securities not traded on a day) with a residual maturity upto 60 days are valued at last valuation price plus the difference between redemption price and last valuation price, spread uniformly over the remaining maturity period of the instrument.

Valuation of securities having call and/or Put options:

- a) Callable Bonds with single / daily / multiple call options will be valued at lowest value basis.
- b) Puttable Bonds with single / daily / multiple call options will be valued at highest value basis.
- c) The securities with both Call & Put options on the same day would be deemed to mature on the Call/Put day and will be valued accordingly.
- d) For perpetual bonds with single / daily / multiple call options, the price for all options dates till the maturity date will be computed and the lowest price will be used for valuing the bonds.

Valuation of Partly Paid up Bonds:

Partly paid bonds will be valued on the paid up value of the bonds till it is fully paid.

Valuation of debt securities below Investment grade of BBB-:

Valuation of performing non-government debt securities below Investment grade of BBB- at a discount of 25% to face value (as per SEBI guideline CIR MFD/CIR/8/92/2000 dated September 18,2000)

Valuation of Money Market Investment and Mutual Fund:

Money market instruments like treasury bills, commercial paper, and certificate of deposit are valued at amortised cost. If they are traded, then they are valued at the last traded price on NSE.

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

1.4 Income Recognition

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

Accretion of discount and amortisation of premium relating to debt securities like Zero Coupon Bond and Money Market Investment are recognised over the holding / maturity period on a straight-line basis.

Profit or loss on sale of 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.

1.5 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/instalment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) are recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

1.6 Units reconciliation

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

1.7 Investment management fees

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

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from 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.

1.8 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from November 01, 2015 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

1.9 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.

2 Unit Premium Reserve

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

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

Notes to accounts (Un-audited)

2.1 Contingent liabilities

(In ₹)

Particulars	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Uncalled liability on partly paid shares	NIL	NIL
Other commitments	NIL	NIL

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
Mr. Fagun Pancholi	Key Management Personnel
Mr. Nagesh Pai	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended September 30, 2017

(In ₹)

Nature of Transaction	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Investment management fees	7,327	2,403

Balances with HDFC Pension Management Company Limited are as follows:

(In ₹)

Nature of Transaction	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Investment management fees payable	4,073	1,414

Aggregate investments made in the Associates and group companies as at September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme C Tier II			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
HDFC Limited		4,146,920	4,188,495	NIL	NIL

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 September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme C Tier II			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
		NIL	NIL	NIL	NIL

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Average Net Asset Value	114,508,448	41,726,635
Purchase of Investment	503,415,273	151,342,550
% to average Net Assets Value	439.63%	362.70%
Sale of Investment	432,591,563	130,104,162
% to average Net Assets Value	377.78%	311.80%

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

Notes to accounts (Un-audited)

Aggregate value of purchase and sale (excluding liquid mutual fund)* with percentage to average assets as at September 30, 2017 is as follows :

(In ₹)

Particular	Scheme C Tier II	
	September 30, 2017	September 30, 2016
Average Net Asset Value	114,508,448	41,726,635
Purchase of Investment	71,112,556	20,749,953
% to average Net Assets Value	62.10%	49.73%
Sale of Investment	-	-
% to average Net Assets Value	-	-

*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:

(In ₹)

Industry Classification	Scheme C Tier II			
	As at September 30, 2017		As at September 30, 2016	
	Market value	% of Industry Classification	Market value	% of Industry Classification
Other credit granting	47,471,332	29.32%	15,208,604	27.59%
Monetary intermediation of commercial / saving / postal banks	25,631,066	15.83%	7,479,183	13.57%
Activities of specialized institutions granting credit for house purchases	17,974,629	11.10%	4,304,687	7.81%
Transmission of Electric Energy	13,307,686	8.22%	4,638,952	8.42%
Service activities incidental to water transportation	11,540,356	7.13%	3,282,818	5.96%
Electric power generation by coal based thermal power plants	10,632,822	6.57%	2,111,328	3.83%
Activity of commission agents dealing in wholesale trade in agriculture	9,816,773	6.06%	3,313,726	6.01%
Electric Power Generation, Transmission and Distribution	8,125,266	5.02%	3,179,086	5.77%
Trusts, Funds and Other Financial Vehicles	4,257,061	2.63%	4,152,965	7.54%
Others (Industries constitute less than 5%)	4,233,308	2.61%	4,201,797	7.62%
Mutual Funds	3,302,999	2.04%	1,364,999	2.48%
Net Current Assets	5,607,535	3.46%	1,875,915	3.40%
Net Asset Value	161,900,833	100.00%	55,114,060	100.00%

Note :

1. Industry classification has been taken at sub class level of National Industrial Classification (NIC) 2008.

2.7 Age wise disclosure for Shares/debentures/ others application money pending allotment.

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

(In ₹)

Security Name	Asset Type	Ageing	Scheme C Tier II	
			September 30, 2017	September 30, 2016
	NIL	NIL	NIL	NIL

2.8 Prior Year Comparatives :

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

2.9 Note on status of litigation matters with PFRDA

The Company is a wholly owned subsidiary of HDFC Standard Life Insurance Company Ltd. and has been a licensed pension fund manager since 2013. In 2014, the Pension Fund Regulatory & Development Authority ("PFRDA") issued a Request for Proposal ("RFP") inviting bids from Sponsors to select new pension fund managers. The bid of HDFC Life to this RFP was rejected by the PFRDA on the ground that it did not meet certain eligibility criteria under the RFP. The Hon'ble Delhi High Court, however, set aside the rejection, directing the PFRDA to grant a Letter of Appointment to HDFC Life thereby allowing the Company to continue its business. While the PFRDA issued a letter of appointment to HDFC Life, it also challenged the Hon'ble High Court's decision before the Hon'ble Supreme Court of India by way of a Special Leave Petition ("SLP"). The Hon'ble Supreme Court, by its order dated July 31, 2017, has dismissed the PFRDA's SLP and refused to interfere with the Hon'ble High Court's decision. Accordingly, the Letter of Appointment issued to HDFC Life stands unqualified, with the appointment of HDFC Pension as a pension fund manager being confirmed.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
<u>Debt Instruments</u>			
PSU/PFI Bonds			
1. 8.49% NTPC NCD Mat 25-Mar-2025	8,454,848	5.22%	AAA
2. 9.95% Food Corporation of India Ltd Mat 07-Mar-2022	6,614,560	4.09%	AAA
3. 9.34% Rural Electrification Corp Ltd Mat 25-Aug-2024	5,490,109	3.39%	AAA
4. 9.25% EXIM Bank NCD Mat 18-April-2022	5,391,875	3.33%	AAA
5. 7.55% Power Grid NCD Mat 21-Sep-2031	5,010,270	3.09%	AAA
6. 8.18% EXIM Bank NCD Mat 07-Dec-2025	3,122,891	1.93%	AAA
7. 8.11% Rural Electrification Corp Ltd Mat 07-Oct-2025	3,109,697	1.92%	AAA
8. 7.40% Power Finance Corporation Ltd.Mat 30-Sep-2021	3,025,317	1.87%	AAA
9. 7.49% IRFC NCD Mat 30-May-2027	3,004,517	1.86%	AAA
10. 7.25% Nuclear Power Corp. Mat 15-Dec-2028 (SR-XXXIII TRCH-B)	2,981,227	1.84%	AAA
11. 7.27% IRFC NCD Mat 15-June-2027	2,960,574	1.83%	AAA
12. 8.68% Power Grid NCD Mat 07-Dec-2020	2,613,445	1.61%	AAA
13. 8.95%IRFC NCD Mat 10-Mar-2025	2,180,752	1.35%	AAA
14. 9.17% NTPC NCD Mat 22-Sep-2024	2,177,974	1.35%	AAA
15. 9.30% Power Grid NCD Mat 04-Sep-2024	2,162,000	1.34%	AAA
16. 9.02% Rural Electrification Corp Ltd Mat 19-Nov-2022	2,150,580	1.33%	AAA
17. 8.70% Power Finance Corporation Ltd.Mat 14-May-2025	2,135,859	1.32%	AAA
18. 9.20% Power Finance Corp Ltd Mat 07-Jul-2021	2,130,869	1.32%	AAA
19. 8.57% Rural Electrification Corp Ltd Mat 21-Dec-2024	2,117,240	1.31%	AAA
20. 8.62% Food Corporation of India Ltd Mat 22-Mar-2023	2,108,301	1.30%	AAA
21. 8.39% Power Finance Corporation Ltd.Mat-19-Apr-2025	2,100,380	1.30%	AAA
22. 8.55% Power Finance Corporation Ltd.Mat 09-Dec-2021	2,097,508	1.30%	AAA
23. 7.74%IRFC NCD Mat 22-Dec-2020	2,047,488	1.26%	AAA
24. 7.25% Nuclear Power Corp. Mat 15-Dec-2031 (SR-XXXIII TRCH-E)	1,975,545	1.22%	AAA
25. 9.30% Power Grid NCD Mat 28-Jun-2026	1,391,520	0.86%	AAA
26. 8.83% IRFC NCD Mat 14-May-2034	1,136,592	0.70%	AAA
27. 8.83% IRFC NCD Mat 14-May-2031	1,125,218	0.70%	AAA
28. 9.46% Power Finance Corporation Ltd.Mat 01-Aug-2026	1,124,811	0.69%	AAA
29. 8.80% Food Corporation of India Ltd Mat 22-Mar-2028	1,093,912	0.68%	AAA
30. 9.75% EXIM Bank NCD Mat 04-Oct-2020	1,071,679	0.66%	AAA
31. 8.75% Power Finance Corporation Ltd. Mat 15-Jun-2025	1,071,444	0.66%	AAA
32. 8.32% Power Grid NCD Mat 23-Dec-2030	1,069,811	0.66%	AAA
33. 8.40% Nuclear Power Corp. Mat 28-Nov-2025 (SR-XXIX TRCH-A)	1,063,447	0.66%	AAA
34. 8.93% Power Grid NCD Mat 20-Oct-2021	1,060,640	0.66%	AAA
35. 8.25% EXIM Bank NCD Mat 23-Jun-2031	1,060,171	0.65%	AAA
36. 8.14% Nuclear Power Corp. Mat 25-Mar-2027 (Tranche B)	1,054,606	0.65%	AAA
37. 8.85% Power Finance Corporation Ltd.Mat 31-May-2021	1,054,496	0.65%	AAA
38. 8.64% IRFC NCD Mat 17-May-2021	1,053,277	0.65%	AAA
39. 8.14% Nuclear Power Corp. Mat 25-Mar-2026(Tranche A)	1,050,441	0.65%	AAA
40. 8.44% Rural Electrification Corp Ltd Mat 04-Dec-2021	1,045,077	0.65%	AAA
41. 8.10% EXIM Bank NCD Mat 19-Nov-2025	1,036,151	0.64%	AAA
Private Corporate Bonds			
1. 7.90% Reliance Ports and Terminal Ltd NCD Mat 18-Nov-2026	5,136,915	3.17%	AAA
2. 8.70% IDFC Bank Ltd NCD Mat 20-May-2025	4,272,214	2.64%	AAA
3. 8.50% LIC Housing Finance Co. Ltd. Mat 29-Aug-2025	4,235,132	2.62%	AAA
4. 8.45% Reliance Ports and Terminal Ltd NCD Mat 12-Jun-2023	4,193,713	2.59%	AAA
5. 8.90% HDFC Ltd Mat 18-Aug-2020	4,188,495	2.59%	AAA
6. 8.95% LIC Housing Finance Co. Ltd. Mat 15-Sep-2020	3,149,256	1.95%	AAA
7. 10.40% Reliance Ports and Terminal Ltd NCD Mat 18-Jul-2021	2,209,728	1.36%	AAA
8. 9.17% IDFC Bank Ltd NCD Mat 14-Oct-2024	2,192,669	1.35%	AAA
9. 8.90% IDFC Bank Ltd NCD Mat 19-Nov-2025	2,167,179	1.34%	AAA
10. 8.75% IDFC Bank Ltd NCD Mat 28-Jul-2023	2,126,587	1.31%	AAA
11. 8.94% Bajaj Finance Ltd NCD Mat 07-Nov-2025	2,113,809	1.31%	AAA
12. 9.20% Capital First Ltd Mat 22-Jan-2021	2,079,404	1.28%	AA+
13. 10.15% Bajaj Finance Ltd NCD Mat 19-Sep-2024	1,112,551	0.69%	AAA
14. 10.25% Shriram Transport Fin NCD Mat 10-Oct-2024	1,101,016	0.68%	AA+
15. 9.36% IDFC Bank Ltd NCD Mat 21-Aug-2024	1,099,288	0.68%	AAA
16. 9.22% LIC Housing Finance Co. Ltd. Mat 16-Oct-2024	1,099,050	0.68%	AAA
17. 9.69% Tata Sons Ltd NCD Mat 12-Jun-2022	1,097,737	0.68%	AAA
18. 10% Shriram Transport Fin NCD Mat 13-Nov-2024	1,088,647	0.67%	AA+
19. 9.30% LIC Housing Finance Ltd. Mat 14-Sep-2022	1,085,768	0.67%	AAA

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
20. 9.45% LIC Housing Finance Co. Ltd. Mat 30-Jan-2022	1,082,534	0.67%	AAA
21. 9.60% LIC Housing Finance Ltd. Mat 07-Mar-2021	1,075,404	0.66%	AAA
22. 8.73% IDFC Bank Ltd NCD Mat 14-Jun-2022	1,060,662	0.66%	AAA
23. 10.35% United Phosphorus Ltd. NCD Mat 08-Jun-2019	1,048,151	0.65%	AA+
24. 8.75% Mahindra and Mahindra Financial Services Ltd Mat 09-Oct-2025	1,045,783	0.65%	AAA
25. 9.45% LIC Housing Finance Co. Ltd. Mat 10-Sep-2019	1,044,108	0.64%	AAA
26. 8.69% IL&FS Ltd. NCD Mat 25-Aug-2025	1,041,637	0.64%	AAA
27. 9.15% Shriram Transport Fin NCD Mat 13-Apr-2021	1,040,460	0.64%	AA+
28. 8.55% Bajaj Finance Ltd NCD Mat 26-Apr-2021	1,030,701	0.64%	AAA
29. 8.67% IDFC Bank Ltd NCD Mat 03-Jan-2025	1,029,700	0.64%	AAA
30. 7.59% LIC Housing Finance Ltd. Mat 14-Oct-2021	1,014,882	0.63%	AAA
Debt Instruments Total	152,990,299	94.50%	
Money Market Instruments			
Liquid Mutual Funds			
1. Reliance Liquidity Fund - Direct Growth Plan - Growth Option	3,302,999	2.04%	AAA
Money Market Instruments Total	3,302,999	2.04%	
Cash/Cash Equivalent & Net Current Assets	5,607,535	3.46%	
Grand Total	161,900,833	100.00%	
Average Maturity of Portfolio (in yrs) #	6.89		
Modified Duration (in yrs) #	4.79		
Yield to Maturity (%) (annualised) (at market price) #	7.38%		
Credit Rating Exposure			
Central Government Securities	-	-	
State Development Loans	-	-	
AAA / equivalent	146,632,621	90.57%	
A1+ / equivalent (Certificate of Deposits / Commercial Papers)	-	-	
AA+ / equivalent	6,357,678	3.93%	
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	152,990,299	94.50%	
Bank FD	-	-	
Equity	-	-	
Equity Mutual Funds	-	-	
Gilt / Money Market Mutual Funds	3,302,999	2.04%	
Cash / cash equivalent net current assets	5,607,535	3.46%	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	161,900,833	100.00%	
Units Outstanding	10,843,685		
NAV*	14.9304		
Notes:			
a. Total NPAs provided for and its percentage to NAV		-	
b. Total value and percentage of illiquid equity shares		-	
c. NAV at March 31,2017		14.2209	
d. NAV at September 30,2017*		14.9304	
e. Total outstanding exposure in derivative instruments at September 30, 2017		-	
f. Total 'Infrastructure investments' September 30, 2017		85,767,935	

Calculated on debt portfolio

*30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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

3.1 KEY STATISTICS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Sr No	Particulars	Scheme C Tier II	
		September 30, 2017	September 30, 2016
1	NAV per unit (₹) I		
	Open	14.2209	12.6596
	High	14.9405	13.7393
	Low	14.1662	12.7169
	End	14.9272	13.7393
2	Closing Assets Under Management (₹ in Lakhs)		
	End	1,619.01	551.14
	Average daily net assets (AAuM) II	1,251.88	417.27
3	Gross income as % of AAuM III	4.68%	8.35%
4	Expense ratio		
a	Total expense as % of AAuM (scheme wise) IV	0.01%	0.01%
b	Management fee as % of AAuM (scheme wise) V	0.01%	0.01%
5	Net income as % of AAuM VI	4.67%	8.34%
6	Portfolio turnover ratio VII	-	-
7	Total dividend per unit distributed during the period	N.A.	N.A.
8	Returns: (%)		
a	Last one year	8.65%	12.73%
	Benchmark	7.88%	12.89%
b	Since inception VIII	49.27%	37.39%
	Benchmark	57.10%	45.62%
c	Compound annualised yield (%) IX		
	Last 1 year	8.65%	12.73%
	Last 2 year	10.67%	11.31%
	Last 3 year	10.41%	10.58%
	Since launch of the scheme	10.10%	10.55%
	Launch Date	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 = Total Income as per Revenue Account		
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		
VI	Net income = Surplus / Deficit as per Revenue Account		
VII	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		
VIII	The investments into the mandated assets of the fund started in March 2015. From the date of inception of the fund till March 2015 the inflows were invested in liquid schemes of mutual funds. As per fund objective of Tier II Scheme C, the fund only invests in Corporate Bonds. There is a minimum threshold of Rs.10 Lacs for investment Corporate Bonds and till the time investable amount reaches this threshold, it is invested temporarily in liquid and money market schemes of mutual funds. Due to small size of the fund this has affected the fund performance. Hence, Fund performance since inception of the scheme 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)		



NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

**Un-audited Financial Statements for the half year
ended September 30, 2017**

Contents

Balance Sheet

Revenue Account

Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I**

UN-AUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme G Tier I	
		September 30, 2017	September 30, 2016
Liabilities			
Unit Capital	1	3,488,586,850	1,365,753,386
Reserves & Surplus	2	1,946,729,625	641,569,057
Current Liabilities and Provisions	3	50,873,352	24,701,766
Total		5,486,189,827	2,032,024,209
Assets			
Investments	4	5,384,021,533	1,974,866,106
Deposits	5	-	-
Other Current Assets	6	102,168,294	57,158,103
Total		5,486,189,827	2,032,024,209
(a) Net asset as per Balance Sheet (Schedule 4+5+6 -3)		5,435,316,475	2,007,322,443
(b) Number of units outstanding		348,858,685	136,575,339
(c) NAV per unit (a)/(b) (^)*		15.5802	14.6975
Significant accounting policies and notes to accounts	7		

* 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme G Tier I	
		September 30, 2017	September 30, 2016
Income			
Interest		167,034,417	59,249,131
Profit on sale/redemption of investments		8,139,297	13,523,257
Unrealised gain on appreciation in investments		44,611,503	98,581,631
Total Income (A)		219,785,217	171,354,019
Expenses & Losses			
Loss on sale/redemption of investments		2,616,696	-
Management fees (including service tax)		272,131	91,016
NPS Trust fees		233,308	79,241
Custodian fees		87,082	57,030
CRA fees		3,394,606	2,983,340
Less : Amount recoverable on sale of units on account of CRA Charges		(3,394,606)	(2,983,340)
Depository and settlement charges		37,234	-
Total Expenditure (B)		3,246,451	227,287
Surplus/(Deficit) for the year (A-B = C)		216,538,766	171,126,732
Less: Amount transferred to Unrealised appreciation account		(44,611,503)	(98,581,631)
Less: Amount transferred to General Reserve		(171,927,263)	(72,545,101)
Amount carried forward to Balance Sheet		-	-
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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

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

Schedule 1: Unit capital

(In ₹)

Particulars	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Initial capital		
Unit capital		
Outstanding units at the beginning of the period	2,540,074,900	895,774,852
Add :Units issued during the period	1,011,243,450	492,109,330
Less: Units redeemed during the period	(62,731,500)	(22,130,796)
Outstanding at the end of the period	3,488,586,850	1,365,753,386
(Face Value of Rs.10/- each unit, fully paid up)		
Outstanding units at the beginning of the period	254,007,490	89,577,485
Add :Units issued during the period	101,124,345	49,210,933
Less: Units redeemed during the period	(6,273,150)	(2,213,080)
Outstanding Units at the end of the period	348,858,685	136,575,339

Schedule 2: Reserves and surplus

(In ₹)

Particulars	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Unit premium reserve		
Opening balance	985,562,329	232,370,792
Add: Premium on Units issued	534,483,211	190,758,314
Less: Premium on Units redeemed	(32,808,926)	(8,697,737)
Closing balance	1,487,236,614	414,431,369
General Reserve		
Opening balance	237,740,456	39,943,874
Add/(Less): Transfer from/(to) Revenue Account	171,927,263	72,545,101
Closing balance	409,667,719	112,488,975
Unrealised Appreciation Reserve		
Opening balance	5,213,789	16,067,082
Add/(Less): Transfer from/(to) Revenue Account	44,611,503	98,581,631
Closing balance	49,825,292	114,648,713
Total	1,946,729,625	641,569,057

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Current liabilities & Provisions		
Sundry creditors for expenses	489,807	170,293
Redemption Payable	2,000,518	1,036,362
TDS Payable	5,777	1,583
Contracts for purchase of investments	48,377,250	23,485,594
Provisions*	-	7,934
Total	50,873,352	24,701,766

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

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I**

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

Schedule 4: Investments (Long Term and Short Term)**(In ₹)**

Particulars	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Central and state government securities (including treasury bills)	5,220,301,533	1,959,282,406
Others - Mutual Fund Units	163,720,000	15,583,700
Total	5,384,021,533	1,974,866,106

Schedule 5: Deposits**(In ₹)**

Particulars	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Deposits with scheduled banks	-	-
Total	-	-

Schedule 6: Other current assets**(In ₹)**

Particulars	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Balances with banks in current account	24,670	403
Outstanding and accrued income	99,724,762	33,672,105
Sundry debtors - Margin Money for Investment	2,418,862	23,485,595
Total	102,168,294	57,158,103

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

Schedule 7

Significant accounting policies & notes to accounts for the half year ended September 30, 2017

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 and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS. Some of the key responsibilities of the CRA include the following:

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

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

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. 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 G TIER I being managed by the Company.

The Company manages eight separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C, G and A 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

Scheme A – Alternate Investment funds

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 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.

Central Government, State Government securities are valued at the aggregated prices received from independent valuation agencies CRISIL & ICRA on the particular valuation day.

Treasury bills are valued at the aggregated prices received from independent valuation agencies CRISIL & ICRA on the particular valuation day.

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

1.4 Income Recognition

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

Accretion of discount relating to Treasury bills is recognised over the holding / maturity period on a straight-line basis.

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

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

1.5 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/installment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

1.6 Units reconciliation

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

1.7 Investment management fees

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

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from 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.

1.8 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from November 01, 2015 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

1.9 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.

2 Unit Premium Reserve

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

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

Notes to accounts (Un-audited)

2.1 Contingent liabilities

(In ₹)

Particulars	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Uncalled liability on partly paid shares	NIL	NIL
Other commitments	NIL	NIL

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
Mr. Fagun Pancholi	Key Management Personnel
Mr. Nagesh Pai	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended September 30, 2017

(In ₹)

Nature of Transaction	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Investment management fees	272,131	91,016

Balances with HDFC Pension Management Company Limited are as follows:

(In ₹)

Nature of Transaction	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Investment management fees payable	142,143	51,419

Aggregate investments made in the Associates and group companies as at September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme G Tier I			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
		NIL	NIL	NIL	NIL

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 September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme G Tier I			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
		NIL	NIL	NIL	NIL

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Average Net Asset Value	4,653,402,178	1,580,489,658
Purchase of Investment	13,464,959,515	3,664,116,618
% to average Net Assets Value	289.36%	231.83%
Sale of Investment	11,797,969,345	2,953,777,968
% to average Net Assets Value	253.53%	186.89%

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

Notes to accounts (Un-audited)

Aggregate value of purchase and sale (excluding liquid mutual fund)* with percentage to average assets as at September 30, 2017 is as follows :

(In ₹)

Particular	Scheme G Tier I	
	September 30, 2017	September 30, 2016
Average Net Asset Value	4,653,402,178	1,580,489,658
Purchase of Investment	2,124,127,516	1,037,105,519
% to average Net Assets Value	45.65%	65.62%
Sale of Investment	473,990,878	328,122,352
% to average Net Assets Value	10.19%	20.76%

*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:

(In ₹)

Industry Classification	Scheme G Tier I			
	As at September 30, 2017		As at September 30, 2016	
	Market value	% of Industry Classification	Market value	% of Industry Classification
Central Government Securities	4,842,835,183	89.10%	1,925,142,519	95.91%
State Development Loans	377,466,350	6.94%	34,139,887	1.70%
Mutual Funds	163,720,000	3.01%	15,583,700	0.78%
Net Current Assets	51,294,942	0.94%	32,456,337	1.62%
Net Asset Value	5,435,316,475	100.00%	2,007,322,443	100.00%

2.7 Age wise disclosure for Shares/debentures/ others application money pending allotment.

(In ₹)

Security Name	Asset Type	Ageing	Scheme G Tier I	
			September 30, 2017	September 30, 2016
	NIL	NIL	NIL	NIL

2.8 Prior Year Comparatives :

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

2.9 Note on status of litigation matters with PFRDA

The Company is a wholly owned subsidiary of HDFC Standard Life Insurance Company Ltd. and has been a licensed pension fund manager since 2013. In 2014, the Pension Fund Regulatory & Development Authority ("PFRDA") issued a Request for Proposal ("RFP") inviting bids from Sponsors to select new pension fund managers. The bid of HDFC Life to this RFP was rejected by the PFRDA on the ground that it did not meet certain eligibility criteria under the RFP. The Hon'ble Delhi High Court, however, set aside the rejection, directing the PFRDA to grant a Letter of Appointment to HDFC Life thereby allowing the Company to continue its business. While the PFRDA issued a letter of appointment to HDFC Life, it also challenged the Hon'ble High Court's decision before the Hon'ble Supreme Court of India by way of a Special Leave Petition ("SLP"). The Hon'ble Supreme Court, by its order dated July 31, 2017, has dismissed the PFRDA's SLP and refused to interfere with the Hon'ble High Court's decision. Accordingly, the Letter of Appointment issued to HDFC Life stands unqualified, with the appointment of HDFC Pension as a pension fund manager being confirmed.

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
Debt Instruments			
Central Government Securities			
1. 8.17% GOI Mat 01-Dec-2044	498,403,349	9.17%	Sovereign
2. 7.73% GOI Mat 19-Dec-2034	407,678,876	7.50%	Sovereign
3. 7.61% GOI Mat 09-May-2030	379,704,000	6.99%	Sovereign
4. 8.32% GOI Mat 02-Aug-2032	304,510,829	5.60%	Sovereign
5. 8.24% GOI Mat 10-Nov-2033	278,738,880	5.13%	Sovereign
6. 8.30% GOI Mat 31-Dec-2042	275,094,710	5.06%	Sovereign
7. 8.13% GOI Mat 22-Jun-2045	248,879,540	4.58%	Sovereign
8. 8.60% GOI Mat 02-Jun-2028	247,058,280	4.55%	Sovereign
9. 8.28% GOI Mat 15-Feb-2032	241,601,945	4.45%	Sovereign
10. 6.79% GOI Mat 26-Dec-2029	241,590,450	4.44%	Sovereign
11. 7.88%GOI Mat 19-Mar-2030	197,184,333	3.63%	Sovereign
12. 9.23% GOI Mat 23-Dec-2043	194,861,298	3.59%	Sovereign
13. 8.24% GOI Mat 15-Feb-2027	176,347,536	3.24%	Sovereign
14. 8.30% GOI Mat 02-Jul-2040	153,795,914	2.83%	Sovereign
15. 8.28% GOI Mat 21-Sep-2027	133,548,025	2.46%	Sovereign
16. 8.15% GOI Mat 24-Nov-2026	122,111,520	2.25%	Sovereign
17. 8.97% GOI Mat 05-Dec-2030	115,059,900	2.12%	Sovereign
18. 8.83% GOI Mat 12-Dec-2041	114,000,569	2.10%	Sovereign
19. 9.20% GOI Mat 30-Sep-2030	105,895,629	1.95%	Sovereign
20. 7.72% GOI Mat 25-May-2025	105,484,400	1.94%	Sovereign
21. 8.33% GOI Mat-07-Jun-2036	84,876,772	1.56%	Sovereign
22. 7.50% GOI Mat 10-Aug-2034	70,129,216	1.29%	Sovereign
23. 8.20% GOI Mat 24-Sep-2025	50,688,520	0.93%	Sovereign
24. 6.97% GOI Mat 06-Sep-2026	50,172,050	0.92%	Sovereign
25. 7.95% GOI Mat 28-Aug-2032	33,827,681	0.62%	Sovereign
26. 8.40% GOI Mat 28-Jul-2024	6,523,590	0.12%	Sovereign
27. 8.26% GOI Mat 02-Aug-2027	2,688,724	0.05%	Sovereign
28. 8.33% GOI Mat 09-Jul-2026	1,850,473	0.03%	Sovereign
29. 7.28% GOI Mat 03-Jun-2019	395,899	0.01%	Sovereign
30. 7.16% GOI Mat 20-May-2023	132,275	0.00%	Sovereign
State Development Loans			
1. 8.69% Tamil Nadu SDL Mat 24-Feb-2026	162,014,700	2.98%	Sovereign
2. 7.88% Andhra Pradesh SDL Mat 15-Mar-2027	51,652,100	0.95%	Sovereign
3. 7.96% Maharashtra SDL Mat 29-Jun-2026	48,767,576	0.90%	Sovereign
4. 8.36% Maharashtra SDL Mat 27-Jan-2026	48,757,056	0.90%	Sovereign
5. 8.67% Maharashtra SDL Mat 24-Feb-2026	32,404,830	0.60%	Sovereign
6. 8.72% Andhra Pradesh SDL Mat 24-Feb-2026	10,804,220	0.20%	Sovereign
7. 8.00% Tamil Nadu SDL Mat 28-Oct-2025	8,295,056	0.15%	Sovereign
8. 8.24% Andhra Pradesh SDL Mat 09-Sep-2025	4,548,210	0.08%	Sovereign
9. 8.44% Tamil Nadu SDL Mat 26-Nov-2024	4,306,588	0.08%	Sovereign
10. 8.17% Tamil Nadu SDL Mat 26-Nov-2025	2,576,471	0.05%	Sovereign
11. 9.77% Andhra Pradesh SDL Mat 28-Aug-2023	1,120,630	0.02%	Sovereign
12. 9.49% Tamil Nadu SDL Mat 18-Dec-2023	1,112,310	0.02%	Sovereign
13. 9.39% Maharashtra SDL Mat 20-Nov-2023	1,106,603	0.02%	Sovereign
Debt Instruments Total	5,220,301,533	96.04%	
Money Market Instruments			
Liquid Mutual Funds			
1. Birla Sun Life Cash Plus - Growth - Direct Plan	163,720,000	3.01%	AAA
Money Market Instruments Total	163,720,000	3.01%	
Cash/Cash Equivalent & Net Current Assets	51,294,942	0.94%	
Grand Total	5,435,316,475	100.00%	
Average Maturity of Portfolio (in yrs) #	16.55		
Modified Duration (in yrs) #	8.69		
Yield to Maturity (%) (annualised) (at market price) #	7.34%		
Credit Rating Exposure			
Central Government Securities	4,842,835,183	89.10%	
State Development Loans	377,466,350	6.94%	
AAA / equivalent	-	-	
A1+ / equivalent (Certificate of Deposits / Commercial Papers)	-	-	
AA+ / equivalent	-	-	
AA / equivalent	-	-	
AA- / equivalent	-	-	
A+ / equivalent	-	-	
A / equivalent	-	-	

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
A- / equivalent	-	-	
BBB+ / equivalent	-	-	
BBB / equivalent	-	-	
BBB- / equivalent	-	-	
Lower (Below Investment Grade) (out of above Net NPA)	-	-	
TOTAL	5,220,301,533	96.04%	
Bank FD	-	-	
Equity	-	-	
Equity Mutual Funds	-	-	
Gilt / Money Market Mutual Funds	163,720,000	3.01%	
Cash / cash equivalent net current assets	51,294,942	0.94%	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	5,435,316,475	100.00%	
Units Outstanding	348,858,685		
NAV*	15.5802		
Notes:			
a. Total NPAs provided for and its percentage to NAV		-	
b. Total value and percentage of illiquid equity shares		-	
c. NAV at March 31,2017		14.8365	
d. NAV at September 30,2017*		15.5802	
e. Total outstanding exposure in derivative instruments at September 30, 2017		-	
f. Total 'Infrastructure investments' September 30, 2017		-	

Calculated on debt portfolio

*30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER I

3.1 KEY STATISTICS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Sr No	Particulars	Scheme G Tier I	
		September 30, 2017	September 30, 2016
1	NAV per unit (₹) I		
	Open	14.8365	13.2193
	High	15.6564	14.7499
	Low	14.6982	13.2556
	End	15.5772	14.6975
2	Closing Assets Under Management (₹ in Lakhs)		
	End	54353.16	20073.22
	Average daily net assets (AAuM) II	46534.02	15804.90
3	Gross income as % of AAuM III	4.72%	10.84%
4	Expense ratio		
a	Total expense as % of AAuM (scheme wise) IV	0.01%	0.01%
b	Management fee as % of AAuM (scheme wise) V	0.01%	0.01%
5	Net income as % of AAuM VI	4.65%	10.83%
6	Portfolio turnover ratio VII	10.19%	20.76%
7	Total dividend per unit distributed during the period	N.A.	N.A.
8	Returns: (%)		
a	Last one year	5.99%	14.39%
	Benchmark	6.35%	13.67%
b	Since inception	55.77%	46.98%
	Benchmark	52.75%	43.62%
c	Compound annualised yield (%) VIII		
	Last 1 year	5.99%	14.39%
	Last 2 year	10.11%	15.28%
	Last 3 year	12.10%	14.28%
	Since launch of the scheme	11.23%	12.93%
	Launch Date	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 = Total Income as per Revenue Account		
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		
VI	Net income = Surplus / Deficit as per Revenue Account		
VII	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		
VIII	Compounded annualised yield is to be calculated based on following formula: = (1+ cumulative return) ⁿ - 1 (where n=365/no. of days)		



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

**Un-audited Financial Statements for the half year
ended September 30, 2017**

Contents

Balance Sheet

Revenue Account

Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER II**

UN-AUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme G Tier II	
		September 30, 2017	September 30, 2016
Liabilities			
Unit Capital	1	105,613,963	34,160,700
Reserves & Surplus	2	62,389,824	17,169,807
Current Liabilities and Provisions	3	5,707,893	823,670
Total		173,711,680	52,154,177
Assets			
Investments	4	170,180,209	50,481,671
Deposits	5	-	-
Other Current Assets	6	3,531,471	1,672,506
Total		173,711,680	52,154,177
(a) Net asset as per Balance Sheet (Schedule 4+5+6 -3)		168,003,787	51,330,507
(b) Number of units outstanding		10,561,396	3,416,070
(c) NAV per unit (a)/(b) (₹)*		15.9073	15.0261
Significant accounting policies and notes to accounts	7		

** 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme G Tier II	
		September 30, 2017	September 30, 2016
Income			
Interest		4,671,340	1,317,942
Profit on sale/redemption of investments		79,043	63,813
Unrealised gain on appreciation in investments		914,980	2,465,425
Total Income (A)		5,665,363	3,847,180
Expenses & Losses			
Unrealised losses in value of investments		-	-
Loss on sale/redemption of investments		58,500	-
Management fees (including service tax)		7,602	2,044
NPS Trust fees		6,512	1,779
Custodian fees		2,433	1,266
CRA fees		18,684	11,542
Less : Amount recoverable on sale of units on account of CRA Charges		(18,684)	(11,542)
Depository and settlement charges		1,121	-
Total Expenditure (B)		76,168	5,089
Surplus/(Deficit) for the year (A-B = C)		5,589,195	3,842,091
Less: Amount transferred to Unrealised appreciation account		(914,980)	(2,465,425)
Less: Amount transferred to General Reserve		(4,674,215)	(1,376,666)
Amount carried forward to Balance Sheet		-	-
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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

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

Schedule 1: Unit capital

(In ₹)

Particulars	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Initial capital		
<u>Unit capital</u>		
Outstanding units at the beginning of the period	63,342,401	17,424,438
Add :Units issued during the period	53,868,504	18,276,109
Less: Units redeemed during the period	(11,596,942)	(1,539,847)
Outstanding at the end of the period	105,613,963	34,160,700
(Face Value of Rs.10/- each unit, fully paid up)		
Outstanding units at the beginning of the period	6,334,240	1,742,444
Add :Units issued during the period	5,386,850	1,827,611
Less: Units redeemed during the period	(1,159,694)	(153,985)
Outstanding Units at the end of the period	10,561,396	3,416,070

Schedule 2: Reserves and surplus

(In ₹)

Particulars	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Unit premium reserve		
Opening balance	27,473,179	4,979,476
Add: Premium on Units issued	30,672,342	7,855,574
Less: Premium on Units redeemed	(6,510,924)	(653,544)
Closing balance	51,634,597	12,181,506
General Reserve		
Opening balance	4,853,723	903,082
Add/(Less): Transfer from/(to) Revenue Account	4,674,215	1,376,666
Closing balance	9,527,938	2,279,748
Unrealised Appreciation Reserve		
Opening balance	312,309	243,128
Add/(Less): Transfer from/(to) Revenue Account	914,980	2,465,425
Closing balance	1,227,289	2,708,553
Surplus/(deficit) in Revenue account		
Total	62,389,824	17,169,807

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Current liabilities & Provisions		
Sundry creditors for expenses	13,607	3,963
Redemption Payable	318,857	30,556
TDS Payable	179	40
Contracts for purchase of investments	5,375,250	788,922
Provisions*	-	189
Total	5,707,893	823,670

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

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME G TIER II**

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

Schedule 4: Investments (Long Term and Short Term)**(In ₹)**

Particulars	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Central and state government securities (including treasury bills)	163,679,209	50,327,271
Others - Mutual Fund Units	6,501,000	154,400
Total	170,180,209	50,481,671

Schedule 5: Deposits**(In ₹)**

Particulars	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Deposits with scheduled banks	-	-
Total	-	-

Schedule 6: Other current assets**(In ₹)**

Particulars	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Balances with banks in current account	4,976	123
Outstanding and accrued income	3,257,732	883,461
Sundry debtors - Margin Money for Investments	268,763	788,922
Total	3,531,471	1,672,506

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

Schedule 7

Significant accounting policies & notes to accounts for the half year ended September 30, 2017

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 and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt.Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS. Some of the key responsibilities of the CRA include the following:

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

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

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. 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 G TIER II being managed by the Company.

The Company manages eight separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C, G and A 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

Scheme A – Alternate Investment funds

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 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.

Central Government, State Government securities are valued at the aggregated prices received from independent valuation agencies CRISIL & ICRA on the particular valuation day.

Treasury bills are valued at the aggregated prices received from independent valuation agencies CRISIL & ICRA on the particular valuation day.

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

1.4 Income Recognition

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

Accretion of discount relating to Treasury bills is recognised over the holding / maturity period on a straight-line basis.

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

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

1.5 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/installment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) are recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

1.6 Units reconciliation

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

1.7 Investment management fees

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

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from 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.

1.8 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from November 01, 2015 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

1.9 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.

2 Unit Premium Reserve

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

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

Notes to accounts (Un-audited)

2.1 Contingent liabilities

(In ₹)

Particulars	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Uncalled liability on partly paid shares	NIL	NIL
Other commitments	NIL	NIL

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
Mr. Fagun Pancholi	Key Management Personnel
Mr. Nagesh Pai	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended September 30, 2017

(In ₹)

Nature of Transaction	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Investment management fees	7,602	2,044

Balances with HDFC Pension Management Company Limited are as follows:

(In ₹)

Nature of Transaction	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Investment management fees payable	4,201	1,213

Aggregate investments made in the Associates and group companies as at September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme G Tier II			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
HDFC Ltd		NIL	NIL	NIL	NIL

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 September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme G Tier II			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
HDFC Bank Ltd		NIL	NIL	NIL	NIL

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Average Net Asset Value	129,889,767	35,485,323
Purchase of Investment	376,092,003	103,686,682
% to average Net Assets Value	289.55%	292.20%
Sale of Investment	300,149,707	78,322,628
% to average Net Assets Value	231.08%	220.72%

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

Notes to accounts (Un-audited)

Aggregate value of purchase and sale (excluding liquid mutual fund)* with percentage to average assets as at September 30, 2017 is as follows :

(In ₹)

Particular	Scheme G Tier II	
	September 30, 2017	September 30, 2016
Average Net Asset Value	129,889,767	35,485,323
Purchase of Investment	75,111,003	26,860,881
% to average Net Assets Value	57.83%	75.70%
Sale of Investment	3,025,664	1,336,798
% to average Net Assets Value	2.33%	3.77%

*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:

(In ₹)

Industry Classification	Scheme G Tier II			
	September 30, 2017		September 30, 2016	
	Market value	% of Industry Classification	Market value	% of Industry Classification
Central Government Securities	155,688,628	92.67%	49,686,713	96.80%
State Development Loans	7,990,581	4.76%	640,558	1.25%
Mutual Funds	6,501,000	3.87%	154,400	0.30%
Net Current Assets	(2,176,422)	-1.30%	848,836	1.65%
Net Asset Value	168,003,787	100.00%	51,330,507	100.00%

2.7 Age wise disclosure for Shares/debentures/ others application money pending allotment.

(In ₹)

Security Name	Asset Type	Ageing	Scheme G Tier II	
			September 30, 2017	September 30, 2016
	NIL	NIL	NIL	NIL

2.8 Prior Year Comparatives :

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

2.9 Note on status of litigation matters with PFRDA

The Company is a wholly owned subsidiary of HDFC Standard Life Insurance Company Ltd. and has been a licensed pension fund manager since 2013. In 2014, the Pension Fund Regulatory & Development Authority ("PFRDA") issued a Request for Proposal ("RFP") inviting bids from Sponsors to select new pension fund managers. The bid of HDFC Life to this RFP was rejected by the PFRDA on the ground that it did not meet certain eligibility criteria under the RFP. The Hon'ble Delhi High Court, however, set aside the rejection, directing the PFRDA to grant a Letter of Appointment to HDFC Life thereby allowing the Company to continue its business. While the PFRDA issued a letter of appointment to HDFC Life, it also challenged the Hon'ble High Court's decision before the Hon'ble Supreme Court of India by way of a Special Leave Petition ("SLP"). The Hon'ble Supreme Court, by its order dated July 31, 2017, has dismissed the PFRDA's SLP and refused to interfere with the Hon'ble High Court's decision. Accordingly, the Letter of Appointment issued to HDFC Life stands unqualified, with the appointment of HDFC Pension as a pension fund manager being confirmed.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
<u>Debt Instruments</u>			
Central Government Securities			
1. 8.17% GOI Mat 01-Dec-2044	19,208,263	11.43%	Sovereign
2. 7.73% GOI Mat 19-Dec-2034	16,970,420	10.10%	Sovereign
3. 8.15% GOI Mat 24-Nov-2026	12,939,040	7.70%	Sovereign
4. 7.61% GOI Mat 09-May-2030	10,296,000	6.13%	Sovereign
5. 7.72% GOI Mat 25-May-2025	9,399,600	5.59%	Sovereign
6. 8.60% GOI Mat 02-Jun-2028	8,991,780	5.35%	Sovereign
7. 8.32% GOI Mat 02-Aug-2032	8,598,135	5.12%	Sovereign
8. 8.13% GOI Mat 22-Jun-2045	7,967,750	4.74%	Sovereign
9. 7.88%GOI Mat 19-Mar-2030	7,142,594	4.25%	Sovereign
10. 8.28% GOI Mat 15-Feb-2032	6,658,667	3.96%	Sovereign
11. 8.30% GOI Mat 31-Dec-2042	6,110,500	3.64%	Sovereign
12. 6.79% GOI Mat 26-Dec-2029	5,434,550	3.23%	Sovereign
13. 8.20% GOI Mat 24-Sep-2025	5,429,380	3.23%	Sovereign
14. 8.40% GOI Mat 28-Jul-2024	4,801,190	2.86%	Sovereign
15. 8.30% GOI Mat 02-Jul-2040	4,085,723	2.43%	Sovereign
16. 9.23% GOI Mat 23-Dec-2043	3,750,846	2.23%	Sovereign
17. 8.24% GOI Mat 10-Nov-2033	3,700,171	2.20%	Sovereign
18. 8.83% GOI Mat 12-Dec-2041	3,560,329	2.12%	Sovereign
19. 7.95% GOI Mat 28-Aug-2032	3,472,804	2.07%	Sovereign
20. 8.33% GOI Mat-07-Jun-2036	2,209,182	1.31%	Sovereign
21. 7.50% GOI Mat 10-Aug-2034	2,062,624	1.23%	Sovereign
22. 9.20% GOI Mat 30-Sep-2030	2,061,087	1.23%	Sovereign
23. 8.24% GOI Mat 15-Feb-2027	387,648	0.23%	Sovereign
24. 8.28% GOI Mat 21-Sep-2027	216,500	0.13%	Sovereign
25. 8.26% GOI Mat 02-Aug-2027	118,779	0.07%	Sovereign
26. 8.12% GOI Mat 10-Dec-2020	115,066	0.07%	Sovereign
State Development Loans			
1. 8.36% Maharashtra SDL Mat 27-Jan-2026	4,239,744	2.52%	Sovereign
2. 7.96% Maharashtra SDL Mat 29-Jun-2026	3,112,824	1.85%	Sovereign
3. 8.44% Tamil Nadu SDL Mat 26-Nov-2024	638,013	0.38%	Sovereign
Debt Instruments Total	163,679,209	97.43%	
<u>Money Market Instruments</u>			
Liquid Mutual Funds			
1. Birla Sun Life Cash Plus - Growth - Direct Plan	6,501,000	3.87%	AAA
Money Market Instruments Total	6,501,000	3.87%	
Cash/Cash Equivalent & Net Current Assets	(2,176,422)	-1.30%	
Grand Total	168,003,787	100.00%	
Average Maturity of Portfolio (in yrs) #	16.06		
Modified Duration (in yrs) #	8.48		
Yield to Maturity (%) (annualised) (at market price) #	7.31%		
<u>Credit Rating Exposure</u>			
Central Government Securities	155,688,628	92.67%	
State Development Loans	7,990,581	4.76%	
AAA / equivalent	-	-	
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	163,679,209	97.43%	

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(in ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
Bank FD	-	-	
Equity	-	-	
Equity Mutual Funds	-	-	
Gilt / Money Market Mutual Funds	6,501,000	3.87%	
Cash / cash equivalent net current assets	(2,176,422)	-1.30%	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	168,003,787	100.00%	
Units Outstanding	10,561,396		
NAV*	15.9073		
Notes:			
a. Total NPAs provided for and its percentage to NAV		-	
b. Total value and percentage of illiquid equity shares		-	
c. NAV at March 31,2017		15.1528	
d. NAV at September 30,2017*		15.9073	
e. Total outstanding exposure in derivative instruments at September 30, 2017		-	
f. Total 'Infrastructure investments' September 30, 2017		-	

Calculated on debt portfolio

*30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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

3.1 KEY STATISTICS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017 (UN - AUDITED)

Sr No	Particulars	Scheme G Tier II	
		September 30, 2017	September 30, 2016
1	NAV per unit (₹) I		
	Open	15.1528	13.5155
	High	15.9913	15.0815
	Low	15.0039	13.5516
	End	15.9042	15.0261
2	Closing Assets Under Management (₹ in Lakhs)		
	End	1680.04	513.31
	Average daily net assets (AAuM) II	1298.90	354.85
3	Gross income as % of AAuM III	4.36%	10.84%
4	Expense ratio		
a	Total expense as % of AAuM (scheme wise) IV	0.01%	0.01%
b	Management fee as % of AAuM (scheme wise) V	0.01%	0.01%
5	Net income as % of AAuM VI	4.30%	10.83%
6	Portfolio turnover ratio VII	2.33%	3.77%
7	Total dividend per unit distributed during the period	N.A.	N.A.
8	Returns: (%)		
a	Last one year	5.84%	14.47%
	Benchmark	6.35%	13.67%
b	Since inception	59.04%	50.26%
	Benchmark	52.75%	43.62%
c	Compound annualised yield (%) VIII		
	Last 1 year	5.84%	14.47%
	Last 2 years	10.07%	15.08%
	Last 3 years	11.91%	14.20%
	Since launch of the scheme	11.79%	13.72%
	Launch Date	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 = Total Income as per Revenue Account		
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		
VI	Net income = Surplus / Deficit as per Revenue Account		
VII	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		
VIII	Compounded annualised yield is to be calculated based on following formula: = (1+ cumulative return) ⁿ - 1 (where n=365/no. of days)		



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

**Un-audited Financial Statements for the half year
ended September 30, 2017**

Contents

Balance Sheet

Revenue Account

Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER I**

UN-AUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme A Tier I	
		September 30, 2017	September 30, 2016 *
Liabilities			
Unit Capital	1	4,967,848	-
Reserves & Surplus	2	398,301	-
Current Liabilities and Provisions	3	1,496	-
Total		5,367,645	-
Assets			
Investments	4	5,189,375	-
Deposits	5	-	-
Other Current Assets	6	178,270	-
Total		5,367,645	-
(a) Net asset as per Balance Sheet (Schedule 4+5+6 -3)		5,366,149	-
(b) Number of units outstanding		496,785	-
(c) NAV per unit (a)/(b) (₹)**		10.8017	-
Significant accounting policies and notes to accounts	7		

* 30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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)

Fagun Pancholi

(Chief Financial Officer)

Nagesh Pai

(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme A Tier I	
		September 30, 2017	September 30, 2016
Income			
Interest		16,301	-
Profit on sale/redemption of investments		111,487	-
Unrealised gain on appreciation in investments		79,416	-
Total Income (A)		207,204	-
Expenses & Losses			
Management fees (including service tax)		225	-
NPS Trust fees		192	-
Custodian fees		13	-
CRA fees		5,743	-
Less : Amount recoverable on sale of units on account of CRA Charges		(5,743)	-
Depository and settlement charges		30	-
Total Expenditure (B)		460	-
Surplus/(Deficit) for the year (A-B = C)		206,744	-
Less: Amount transferred to Unrealised appreciation account		(79,416)	-
Less: Amount transferred to General Reserve		(127,328)	-
Amount carried forward to Balance Sheet		-	-
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)

Fagun Pancholi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

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

Schedule 1: Unit capital

(In ₹)

Particulars	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Initial capital		
<u>Unit capital</u>		
Outstanding at the beginning of the year	2,325,120	-
Add :Units issued during the year	2,829,084	-
Less: Units redeemed during the year	(186,356)	-
Outstanding at the end of the year	4,967,848	-
(Face Value of Rs.10/- each unit, fully paid up)		
Outstanding units at the beginning of the year	232,512	-
Add :Units issued during the year	282,908	-
Less: Units redeemed during the year	(18,636)	-
Outstanding Units at the end of the year	496,785	-

Schedule 2: Reserves and surplus

(In ₹)

Particulars	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Unit premium reserve		
Opening balance	50,962	-
Add: Premium on Units issued	133,269	-
Less: Premium on Units redeemed	(8,059)	-
Closing balance	176,172	-
General Reserve		
Opening balance	(52)	-
Add: Transfer from Revenue Account	127,328	-
Closing balance	127,276	-
Unrealised Appreciation Reserve		
Opening balance	15,437	-
Add: Transfer from Revenue Account	79,416	-
Closing balance	94,853	-
Total	398,301	-

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Current liabilities		
Sundry creditors for expenses	270	-
Redemption Payable	1,219	-
TDS Payable	7	-
Provisions*	-	-
Total	1,496	-

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER I**

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

Schedule 4: Investments (Long Term and Short Term)**(In ₹)**

Particulars	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Others - Mutual Fund Units	3,101,558	-
Certificate of Deposit	2,087,817	-
Total	5,189,375	-

Schedule 5: Deposits**(In ₹)**

Particulars	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Deposits with scheduled banks	-	-
Total	-	-

Schedule 6: Other current assets**(In ₹)**

Particulars	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Balances with banks in current account	38,749	-
Outstanding and accrued income	139,521	-
Total	178,270	-

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

Schedule 7

Significant accounting policies & notes to accounts for the half year ended September 30, 2017

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 and Karvy Computershare Pvt.Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt. Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS. Some of the key responsibilities of the CRA include the following:

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

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

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. 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 A TIER I being managed by the Company.

The Company manages eight separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C, G and A 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

Scheme A – Alternate Investment funds

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 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.

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

1.4 Income Recognition

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.

1.5 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/installment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) is recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

1.6 Units reconciliation

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

1.7 Investment management fees

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

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from 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.

1.8 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from November 01, 2015 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

1.9 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.

2 Unit Premium Reserve

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

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

Notes to accounts (Un-audited)

2.1 Contingent liabilities

(In ₹)

Particulars	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Uncalled liability on partly paid shares	NIL	NIL
Other commitments	NIL	NIL

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
Mr. Fagun Pancholi	Key Management Personnel
Mr. Nagesh Pai	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended September 30, 2017

(In ₹)

Nature of Transaction	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Investment management fees	225	-

Balances with HDFC Pension Management Company Limited are as follows:

(In ₹)

Nature of Transaction	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Investment management fees payable	125	-

Aggregate investments made in the Associates and group companies as at September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme A Tier I			
		As at September 30, 2017		As at September 30, 2016	
		Cost	Market Value	Cost	Market Value
		NIL	NIL	NIL	NIL

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 September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme A Tier I			
		As at September 30, 2017		As at September 30, 2016	
		Cost	Market Value	Cost	Market Value
		NIL	NIL	NIL	NIL

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Average Net Asset Value	3,838,493	-
Purchase of Investment	7,311,741	-
% to average Net Assets Value	190.48%	-
Sale of Investment	4,580,886	-
% to average Net Assets Value	119.34%	-

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

Notes to accounts (Un-audited)

Aggregate value of purchase and sale (excluding liquid mutual fund)* with percentage to average assets as at September 30, 2017 is as follows :

(In ₹)

Particular	Scheme A Tier I	
	September 30, 2017	September 30, 2016
Average Net Asset Value	3,838,493	-
Purchase of Investment	2,131,741	-
% to average Net Assets Value	55.54%	-
Sale of Investment	-	-
% to average Net Assets Value	-	-

*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:

(In ₹)

Industry Classification	Scheme A Tier I			
	September 30, 2017		September 30, 2016	
	Market value	% of Industry Classification	Market value	% of Industry Classification
Monetary intermediation of commercial / saving / postal banks	2,087,817	38.91%	-	-
Mutual Funds	3,101,558	57.80%	-	-
Net Current Assets	176,774	3.29%	-	-
Net Asset Value	5,366,149	100.00%	-	-

Note :

1. Industry classification has been taken at sub class level of National Industrial Classification (NIC) 2008.

2.7 Age wise disclosure for Shares/debentures/ others application money pending allotment.

(In ₹)

Security Name	Asset Type	Ageing	Scheme A Tier I	
			September 30, 2017	September 30, 2016
	NIL	NIL	NIL	NIL

2.8 Prior Year Comparatives :

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

2.9 Note on status of litigation matters with PFRDA

The Company is a wholly owned subsidiary of HDFC Standard Life Insurance Company Ltd. and has been a licensed pension fund manager since 2013. In 2014, the Pension Fund Regulatory & Development Authority ("PFRDA") issued a Request for Proposal ("RFP") inviting bids from Sponsors to select new pension fund managers. The bid of HDFC Life to this RFP was rejected by the PFRDA on the ground that it did not meet certain eligibility criteria under the RFP. The Hon'ble Delhi High Court, however, set aside the rejection, directing the PFRDA to grant a Letter of Appointment to HDFC Life thereby allowing the Company to continue its business. While the PFRDA issued a letter of appointment to HDFC Life, it also challenged the Hon'ble High Court's decision before the Hon'ble Supreme Court of India by way of a Special Leave Petition ("SLP"). The Hon'ble Supreme Court, by its order dated July 31, 2017, has dismissed the PFRDA's SLP and refused to interfere with the Hon'ble High Court's decision. Accordingly, the Letter of Appointment issued to HDFC Life stands unqualified, with the appointment of HDFC Pension as a pension fund manager being confirmed.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
<u>Asset Backed, Trust Structured and Miscellaneous Investments</u>			
Basel III Tier-1 bonds 1. 8.75 Axis Bank Perpetual AT-1 Series26(Call date14/12/2021)	2,087,817	38.91%	AA+
Asset Backed, Trust Structured and Miscellaneous Investments Total	2,087,817	38.91%	
<u>Money Market Instruments</u>			
Liquid Mutual Funds 1. Birla Sun Life Cash Plus - Growth - Direct Plan	3,101,558	57.80%	AAA
Money Market Instruments Total	3,101,558	57.80%	
Cash/Cash Equivalent & Net Current Assets	176,774	3.29%	
Grand Total	5,366,149	100.00%	
Average Maturity of Portfolio (in yrs)	N.A.		
Modified Duration (in yrs)	N.A.		
Yield to Maturity (%) (annualised) (at market price)	N.A.		
<u>Credit Rating Exposure</u>			
Central Government Securities	-	-	
State Development Loans	-	-	
AAA / equivalent	-	-	
A1+ / equivalent (Certificate of Deposits / Commercial Papers)	-	-	
AA+ / equivalent	2,087,817	38.91%	
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	2,087,817	38.91%	
Bank FD	-	-	
Equity	-	-	
Equity Mutual Funds	-	-	
Gilt / Money Market Mutual Funds	3,101,558	57.80%	
Cash / cash equivalent net current assets	176,774	3.29%	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	5,366,149	100.00%	
Units Outstanding	496,785		
NAV*	10.8017		
Notes:			
a. Total NPAs provided for and its percentage to NAV		-	
b. Total value and percentage of illiquid equity shares		-	
c. NAV at March 31,2017		10.2853	
d. NAV at September 30,2017*		10.8017	
e. Total outstanding exposure in derivative instruments at September 30, 2017		-	
f. Total 'Infrastructure investments' September 30, 2017		-	

*30th Sep.2017 being the last day of half year and non business day, computed NAV is for disclosure purpose only. The last declared NAV for the half year is 29th Sep.2017

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

3.1 KEY STATISTICS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Sr No	Particulars	Scheme A Tier I	
		September 30, 2017	September 30, 2016
1	NAV per unit (₹) I		
	Open	10.2853	N.A
	High	10.8007	N.A
	Low	10.2933	N.A
	End	10.8007	N.A
2	Closing Assets Under Management (₹ in Lakhs)		
	End	53.66	N.A
	Average daily net assets (AAuM) II	38.38	N.A
3	Gross income as % of AAuM III	5.40%	N.A
4	Expense ratio		
a	Total expense as % of AAuM (scheme wise) IV	0.01%	N.A
b	Management fee as % of AAuM (scheme wise) V	0.01%	N.A
5	Net income as % of AAuM VI	5.39%	N.A
6	Portfolio turnover ratio VII	0.00%	N.A
7	Total dividend per unit distributed during the period	N.A.	N.A
8	Returns: (%)		
a	Last one year	N.A.	N.A
	Benchmark VIII	N.A.	N.A
b	Since inception	8.01%	N.A
	Benchmark VIII	N.A.	N.A
c	Compound annualised yield (%) IX		
	Last 1 year	N.A.	N.A
	Last 2 year	N.A.	N.A
	Last 3 year	N.A.	N.A
	Since launch of the scheme	8.27%	N.A
	Launch Date	October 10, 2016	
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 = Total Income as per Revenue Account		
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		
VI	Net income = Surplus / Deficit as per Revenue Account		
VII	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		
VIII	As per fund objective of Scheme A, the fund is mandated to invest in Commercial/Residential mortgage based securities, Units issued by REITs, Alternative Investment Funds, Units issued by InvITs, Asset backed securities, etc. for that there is no comparable market benchmarks is available and hence benchmark returns are not disclosed for this fund.		
IX	Compounded annualised yield is to be calculated based on following formula: = (1+ cumulative return) ⁿ -1 (where n=365/no. of days)		



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

**Un-audited Financial Statements for the half year
ended September 30, 2017**

Contents

Balance Sheet

Revenue Account

Accounting Policies and Notes to Accounts

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER II**

UN-AUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme A Tier II	
		September 30, 2017 ^	September 30, 2016 *
Liabilities			
Unit Capital	1	-	-
Reserves & Surplus	2	-	-
Current Liabilities and Provisions	3	-	-
Total		-	-
Assets			
Investments	4	-	-
Deposits	5	-	-
Other Current Assets	6	-	-
Total		-	-
(a) Net asset as per Balance Sheet (Schedule 4+5+6 -3)		-	-
(b) Number of units outstanding		-	-
(c) NAV per unit (a)/(b) (₹)		-	-
Significant accounting policies and notes to accounts	7		

* The Scheme launched on October 10, 2016, hence previous year figures are not available.

^ Basis the direction from the Authority (PFRDA) the Scheme has been closed on June 12, 2017.

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)**Fagun Pancholi**
(Chief Financial Officer)**Nagesh Pai**
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER II**

UN-AUDITED REVENUE ACCOUNT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Particulars	Schedule	Scheme A Tier II	
		September 30, 2017	September 30, 2016
Income			
Profit on sale/redemption of investments		6,639	-
Total Income (A)		6,639	-
Expenses & Losses			
Unrealised losses in value of investments		1,181	-
Management fees (including service tax)		9	-
NPS Trust fees		9	-
CRA fees		-	-
Less : Amount recoverable on sale of units on account of CRA Charges		-	-
Total Expenditure (B)		1,199	-
Surplus/(Deficit) for the year (A-B = C)		5,440	-
Less: Amount transferred to Unrealised appreciation account		1,181	-
Less: Amount transferred to General Reserve		(6,621)	-
Balance at the end of the period carried to Balance Sheet		-	-
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)

Fagun Panchoi
(Chief Financial Officer)

Nagesh Pai
(Company Secretary)

Place : Mumbai

Date : October 06, 2017

NATIONAL PENSION SYSTEM TRUST

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

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

Schedule 1: Unit capital

(In ₹)

Particulars	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Initial capital		
Unit capital		
Outstanding at the beginning of the year	143,533	-
Add :Units issued during the year	418,304	-
Less: Units redeemed during the year	(561,837)	-
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	14,353	-
Add :Units issued during the year	41,830	-
Less: Units redeemed during the year	(56,184)	-
Outstanding Units at the end of the year	-	-

Schedule 2: Reserves and surplus

(In ₹)

Particulars	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Unit premium reserve		
Opening balance	1,733	-
Add: Premium on Units issued	10,625	-
Less: Premium on Units redeemed	(18,975)	-
Closing balance	(6,617)	-
General Reserve		
Opening balance	(4)	-
Add/(Less): Transfer from/(to) Revenue Account	6,621	-
Less: Transfer from Unit Premium Reserve	-	-
Closing balance	6,617	-
Unrealised Appreciation Reserve		
Opening balance	1,181	-
Add/(Less): Transfer from/(to) Revenue Account	(1,181)	-
Closing balance	-	-
Total	-	-

Schedule 3: Current liabilities and provisions

(In ₹)

Particulars	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Current liabilities		
Sundry creditors for expenses	-	-
Redemption Payable	-	-
Provisions	-	-
Total	-	-

NATIONAL PENSION SYSTEM TRUST**NPS TRUST A/C HDFC PENSION MANAGEMENT COMPANY LIMITED - SCHEME A TIER II**

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

Schedule 4: Investments (Long Term and Short Term)**(In ₹)**

Particulars	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Others - Mutual Fund Units	-	-
Total	-	-

Schedule 5: Deposits**(In ₹)**

Particulars	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Deposits with scheduled banks	-	-
Total	-	-

Schedule 6: Other current assets**(In ₹)**

Particulars	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Balances with banks in current account	-	-
Total	-	-

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

Schedule 7

Significant accounting policies & notes to accounts for the half year ended September 30, 2017

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 and Karvy Computershare Pvt. Ltd being the Central Recordkeeping Agency (CRA) provides consolidated data to PFM for allotment / redemption of units and Axis Bank, being the Trustee Bank, provides / receives funds on consolidated basis in respect of such allotment / redemption.

Central Record Keeping Agency (CRA): National Securities Depository Limited (NSDL), Karvy Computershare Pvt. Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS. Some of the key responsibilities of the CRA include the following:

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

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

PFRDA has appointed the Karvy Computershare Pvt. Ltd as additional CRA in FY 2016-17 for the NPS, which got operational with effect from 15th February, 2017.

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

The fees payable to CRA, in terms of IMA, is charged to the investor by redeeming the equivalent number of units on receipt of intimation from CRA. 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 A TIER II being managed by the Company.

The Company manages eight separate schemes under the two tiered structure (Tier I and II) prescribed under the NPS. The schemes are classified as Scheme E, C, G and A 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

Scheme A – Alternate Investment funds

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 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.

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

1.4 Income Recognition

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.

1.5 Non-Performing Assets

An investment is regarded as non-performing, if interest/principal or both amount has not been received or has remained outstanding for 90 days from the day such income/installment has fallen due.

Where income receivable on investments has accrued but has not been received for a period of 90 days beyond the due date, provision is made by debiting to the Revenue Account for the income so accrued and no further accrual of income shall be made in respect of such investments.

Income on non-performing assets (NPA) are recognised on receipt and other incomes of miscellaneous nature are accounted for when there is certainty of collection.

1.6 Units reconciliation

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

1.7 Investment management fees

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

The Company has started charging investment management fee of 0.01% per annum (inclusive of brokerage but excluding custodian charges and applicable taxes), with effect from 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.

1.8 Trustee fees

The Company has started charging Trustee fee of 0.01% per annum, with effect from November 01, 2015 in terms of the National Pension Scheme Trust circular no. 1/20/2015/NPS dated October 19, 2015.

1.9 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.

2 Unit Premium Reserve

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

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

Notes to accounts (Un-audited)

2.1 Contingent liabilities

(In ₹)

Particulars	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Uncalled liability on partly paid shares	NIL	NIL
Other commitments	NIL	NIL

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
Mr. Fagun Pancholi	Key Management Personnel
Mr. Nagesh Pai	Key Management Personnel

The following represents significant transactions between the Company and its related parties for the half year ended September 30, 2017

(In ₹)

Nature of Transaction	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Investment management fees	9	-

Balances with HDFC Pension Management Company Limited are as follows:

(In ₹)

Nature of Transaction	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Investment management fees payable	-	-

Aggregate investments made in the Associates and group companies as at September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme A Tier II			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
		NIL	NIL	NIL	NIL

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 September 30, 2017 are as follows:

(In ₹)

Name of the Company	Asset type	Scheme A Tier II			
		September 30, 2017		September 30, 2016	
		Cost	Market Value	Cost	Market Value
		NIL	NIL	NIL	NIL

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 September 30, 2017 is as follows :

(In ₹)

Particular	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Average Net Asset Value	163,595	-
Purchase of Investment	408,499	-
% to average Net Assets Value	249.70%	-
Sale of Investment	559,240	-
% to average Net Assets Value	3.42	-

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

Notes to accounts (Un-audited)

Aggregate value of purchase and sale (excluding liquid mutual fund)* with percentage to average assets as at September 30, 2017 is as follows :

(In ₹)

Particular	Scheme A Tier II	
	September 30, 2017	September 30, 2016
Average Net Asset Value	163,595	-
Purchase of Investment	-	-
% to average Net Assets Value	-	-
Sale of Investment	-	-
% to average Net Assets Value	-	-

*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:

(In ₹)

Industry Classification	Scheme A Tier II			
	September 30, 2017		September 30, 2016	
	Market value	% of Industry Classification	Market value	% of Industry Classification
	NIL	NIL	NIL	NIL
Net Asset Value	-	-	-	-

2.7 Age wise disclosure for Shares/debentures/ others application money pending allotment.

(In ₹)

Security Name	Asset Type	Ageing	Scheme A Tier II	
			September 30, 2017	September 30, 2016
	NIL	NIL	NIL	NIL

2.8 Prior Year Comparatives :

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

2.9 Note on status of litigation matters with PFRDA

The Company is a wholly owned subsidiary of HDFC Standard Life Insurance Company Ltd. and has been a licensed pension fund manager since 2013. In 2014, the Pension Fund Regulatory & Development Authority ("PFRDA") issued a Request for Proposal ("RFP") inviting bids from Sponsors to select new pension fund managers. The bid of HDFC Life to this RFP was rejected by the PFRDA on the ground that it did not meet certain eligibility criteria under the RFP. The Hon'ble Delhi High Court, however, set aside the rejection, directing the PFRDA to grant a Letter of Appointment to HDFC Life thereby allowing the Company to continue its business. While the PFRDA issued a letter of appointment to HDFC Life, it also challenged the Hon'ble High Court's decision before the Hon'ble Supreme Court of India by way of a Special Leave Petition ("SLP"). The Hon'ble Supreme Court, by its order dated July 31, 2017, has dismissed the PFRDA's SLP and refused to interfere with the Hon'ble High Court's decision. Accordingly, the Letter of Appointment issued to HDFC Life stands unqualified, with the appointment of HDFC Pension as a pension fund manager being confirmed.

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

3. UN-AUDITED PORTFOLIO STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017

(In ₹)

Name of the instrument	Market value	% of Portfolio	Rating (if any)
<u>Asset Backed, Trust Structured and Miscellaneous Investments</u>			
Asset Backed, Trust Structured and Miscellaneous Investments Total	-	-	
<u>Money Market Instruments</u>			
Money Market Instruments Total	-	-	
Grand Total	-	-	
Average Maturity of Portfolio (in yrs)	N.A.		
Modified Duration (in yrs)	N.A.		
Yield to Maturity (%) (annualised) (at market price)	N.A.		
<u>Credit Rating Exposure</u>			
Central Government Securities	-	-	
State Development Loans	-	-	
AAA / equivalent	-	-	
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	-	-	
Bank FD	-	-	
Equity	-	-	
Equity Mutual Funds	-	-	
Gilt / Money Market Mutual Funds	-	-	
Cash / cash equivalent net current assets	-	-	
Application Pending Allotment - NCDs	-	-	
Others	-	-	
Grand Total	-	-	
Units Outstanding	-		
NAV	-		
Notes:			
a. Total NPAs provided for and its percentage to NAV			-
b. Total value and percentage of illiquid equity shares			-
c. NAV at March 31,2017			-
d. NAV at September 30,2017			-
e. Total outstanding exposure in derivative instruments at September 30, 2017			-
f. Total 'Infrastructure investments' September 30, 2017			-

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

3.1 KEY STATISTICS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Sr No	Particulars	Scheme A Tier II	
		September 30, 2017	September 30, 2016
1	NAV per unit (₹) I		
	Open	10.2027	N.A.
	High	10.6761	N.A.
	Low	10.0000	N.A.
	End	N.A.	N.A.
2	Closing Assets Under Management (₹ in Lakhs)		
	End	0.00	N.A.
	Average daily net assets (AAuM) II	1.64	N.A.
3	Gross income as % of AAuM III	4.06%	N.A.
4	Expense ratio		
a	Total expense as % of AAuM (scheme wise) IV	0.01%	N.A.
b	Management fee as % of AAuM (scheme wise) V	0.01%	N.A.
5	Net income as % of AAuM VI	3.32%	N.A.
6	Portfolio turnover ratio VII	-	N.A.
7	Total dividend per unit distributed during the period	N.A.	N.A.
8	Returns: (%)		
a	Last one year	N.A.	N.A.
	Benchmark VIII	N.A.	N.A.
b	Since inception	N.A.	N.A.
	Benchmark VIII	N.A.	N.A.
c	Compound annualised yield (%) IX		
	Last 1 year	N.A.	N.A.
	Last 2 year	N.A.	N.A.
	Last 3 year	N.A.	N.A.
	Since launch of the scheme	N.A.	N.A.
	Launch Date	October 10, 2016	
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 = Total Income as per Revenue Account		
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		
VI	Net income = Surplus / Deficit as per Revenue Account		
VII	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		
VIII	As per fund objective of Scheme A, the fund is mandated to invest in Commercial/Residential mortgage based securities, Units issued by REITs, Alternative Investment Funds, Units issued by InvITs, Asset backed securities, etc. for that there is no comparable market benchmarks is available and hence benchmark returns are not disclosed for this fund.		
IX	Compounded annualised yield is to be calculated based on following formula: = (1+ cumulative return) ⁿ - 1 (where n=365/no. of days)		