

NATIONAL PENSION SYSTEM (NPS) TRUST



*Annual Report
for the
Financial
Year
2012-13*

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Board of Trustees of National Pension System (NPS Trust) as on 26th June 2013

Shri G. N. Bajpai [Former Chairman of Life Insurance Corporation (LIC) and Securities & Exchange Board of India (SEBI)]	Chairman & Trustee (with effect from 27 th February 2012)
Shri Nagendra Bhatnagar (Former MD & CEO of IDBI Capital Markets Ltd. and Chairman / CEO of Association of Investment Bankers of India)	Chief Executive Officer & Trustee (Appointed by PFRDA as Trustee with effect from 27 th February 2012)
Shri Syed Shahabuddin (Former MD & CEO of SBI Mutual Fund and Clearing Corporation of India)	Trustee (Appointed by PFRDA as Trustee with effect from 27 th February 2012)
Shri Deepak Satwalekar (Former MD & CEO of HDFC Standard Life Insurance)	Trustee (Appointed by PFRDA as Trustee with effect from 27 th February 2012, resigned on 30 th September 2012)
Dr. Rajan Saxena (Vice Chancellor of SVKN's NIMMS University, Mumbai)	Trustee (Appointed by PFRDA as Trustee with effect from 8 th June 2012, resigned on 30 th January 2013)
Shri Shaliesh Haribhakti	Trustee (Appointed by PFRDA as Trustee with effect from 12 th November 2012)
Smt. Pallavi Shroff	Trustee (Appointed by PFRDA as Trustee with effect from 12 th November 2012)
Shri P K Rastogi	Trustee (Appointed by PFRDA as Trustee with effect from 8 th April 2013)

INTERMEDIARIES FOR THE NATIONAL PENSION SYSTEM (NPS) SCHEMES

(As on 26th June 2013)

Pension Fund Managers (PFMs)

S. No.	Pension Fund Managers	Subscriber Class
1.	SBI Pension Funds (P) Ltd, No. 32, 3rd Floor, Maker Chambers-III, Nariman Point, Mumbai – 400 021 Contact Person:- Sh. Biswajit Mohanty, Managing Director & CEO	Central Government & State Government (CG & SG and Private Sector)
2	LIC Pension Fund Limited, 7th Floor, East Wing, Yogakshema, Jeevan Bima Marg, Nariman Point, Mumbai – 400021. Contact Person: Sh. S. Hariharan, Chief Executive Officer	Central Government & State Government (CG & SG and Private Sector)
3.	UTI Retirement Solutions Ltd, UTI Tower, 'Gn' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Contact Person:-Sh. Balram P. Bhagat, Chief Executive Officer	Central Government & State Government (CG & SG and Private Sector)
4.	ICICI Prudential Pension Funds Management Company Ltd ICICI Prulife Towers, 1089, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 Contact Person: Ms. Meghana Baji, Chief Executive Officer	Private Sector
5.	Kotak Mahindra Pension Fund Ltd 6th floor, Kotak Infinity Tower, Building No. 21, Infinity Park Off. Western Express Highway, Goregaon- Mulund Link Road, Malad (East), Mumbai – 400 097 Contact Person: Sh. Sandip Shrikhande, Chief Executive Officer	Private Sector

S. No.	Pension Fund Managers	Subscriber Class
6.	<p>Reliance Capital Pension Fund Ltd. One Indiabulls Centre, 11th floor, Jupiter Mills Compound, 841, Tower –I, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013.</p> <p>Contact Person: Sh. Ranganathan Seshagiri, Chief Executive Officer</p>	Private Sector
7.	<p>HDFC Pension Management Company Limited 13th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai 400 011</p> <p>Contact Person: Sh. Sumit Shukla, Chief Executive Officer</p>	Private Sector
8.	<p>DSP BlackRock Pension Fund Managers Pvt. Limited 10th Floor, Mafatlal Centre, Nariman Point, Mumbai 400020</p> <p>Contact Person: Sh. Anil Gehlani, Business Head & CIO</p>	Private Sector

Central Record Keeping Agency

National Securities Depository Ltd. (NSDL)
4th Floor, 'A' Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013

Contact Person: Sh. Amit Sinha, Executive Vice President

Trustee Bank

(till June 2013)

Bank of India,
Head Office, NPS Cell,
Star House, Plot No. G/5,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Contact Persons:

1. Sh. S. C. Arora, General Manager
2. Sh. Ashok Gupta, Asstt. General Manager

(with effect from July 2013)

Axis Bank Limited
Business Banking Dept., 6th Floor, Axis House,
C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli,
Mumbai - 400025.

Address of the Branch:

Name of the Branch - Corporate Banking Branch, Mumbai
Ground Floor, Axis House, C-2, Wadia International Centre,
Pandurang Budhkar Marg, Worli,
Mumbai - 400025.

Contact Persons:

1. Shri Prasanna Acharya, Vice President
2. Shri Shyam K Sharma, Vice President

Custodian

Stock Holding Corporation of India Ltd. (SCHIL)
301, Centre Point, Parel,
Dr. Babasaheb Ambedkar Road,
Mumbai – 400 012

Contact Person: Sh. R. Anand, Vice President

Trustees' Report

The Trustees of National Pension System (NPS) Trust have pleasure in presenting the Annual Report of the Trust for the Financial Year 2012 – 13.

About NPS Trust

The NPS Trust was established in terms of the Central Government letter D.O. No 5(75)/2006-ECB & PR dated 24th April 2007. PFRDA is the Settlor of the Trust and the execution of the NPS Trust Deed by PFRDA took place on 27th February, 2008. A memorandum of Understanding was signed between PFRDA and the NPS Trust highlighting the rights and obligations of both the parties on 1st July 2009. The Board of Trustees of NPS Trust was initially constituted with three members.

The NPS Trust has been set up and constituted for taking care of the assets and funds under the NPS in the interest of the beneficiaries (subscribers). Trustees have the legal ownership of the Trust Fund and the general superintendence, direction and management of the affairs of the Trust and all powers, authorities and discretions appurtenant to or incidental to the purpose of the trust absolutely vest in the Trustees, subject nevertheless to the provision of the Deed and further subject to such directions or guidelines that may be issued by PFRDA from time to time. However, the beneficial interest shall always vest with the beneficiaries of the NPS Trust.

As part of its obligations to monitor the functioning of Fund Managers some of the duties and responsibilities of Trustees/ Board are as under:-

It shall be the responsibility of the Trustees in carrying out their duties and responsibilities to maintain arms' length relationship with other companies or institutions or financial intermediaries or anybody corporate with which the Trustee may be associated.

It shall be the duty of the Trustees to take into its custody or under their control all the property of the Pension Funds and hold these in trust for the beneficiaries. The Trustees shall be accountable for and be the custodian of the funds and property of the Trust and shall hold the same for the benefit of the beneficiaries in accordance with the PFRDA guidelines/directions and the provisions of the NPS Trust Deed.

It shall be the duty of the Trustees to take reasonable care to ensure that the funds are managed by the PF(s) in accordance with the NPS Trust Deed and the PFRDA guidelines/directions.

The Trustees shall communicate in writing to the PF(s) of the deficiencies and checking on the rectification of deficiencies.

The Trustees shall ensure that-

the PF(s) has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker;

the PF(s) has not given any undue or unfair advantage to any associates or dealt with any of the associates of the Pension Fund in any manner detrimental to interest of the beneficiaries;

the PF(s) has been managing the Fund Schemes independently of other activities and has taken adequate steps to ensure that the interests of the beneficiaries are not compromised;

All the activities and the transactions of the PF(s) are in accordance with the provisions of the PFRDA guidelines/directions.

The Trustees shall take steps to ensure that the transactions of the PFs are in accordance with the provisions of the NPS Trust Deed.

Business Review Consultants (BRC)

NPS Trust had appointed Morningstar India (P) Ltd as Institutional Adviser to NPS Trust in January 2010 to (a) examine the compliance by Pension Fund Managers, & (b) examine and analyse the performance of the fund managers and advise the ways and means to improve the performance of the Fund Managers. The term of Morning Star India (P) Ltd. ended in January 2013. It was decided to revise the scope of work for the new appointment keeping in view the experience gained as well as the needs arising out of a rapidly increasing AUM and rename it as 'Business Review Consultant' (BRC). Fresh selection was made by way of a RFP process and CRISIL Limited were appointed as BRC for a period of two years.

Trustee Bank

Bank of India were appointed as Trustee bank by PFRDA and an agreement was signed between NPS Trust and the Trustee Bank (Bank of India) on 22nd May 2008. Trustee Bank has been appointed for a period of 5 years. Fresh selection of Trustee Bank was done by PFRDA by RFP process and Axis Bank have been appointed by PFRDA as the new Trustee Bank w.e.f. 1st July 2013. Funds are transmitted by the Trustee Bank (TB) as per the time limits prescribed in the agreement with TB. Some of the important responsibilities of TB are as under:-

(i). The Bank shall assume the day to day banking of the funds under the NPS and the Bank shall provide Banking facilities in accordance with the provisions of the PFRDA guidelines/ directions.

(ii). The Bank shall exercise all due diligence and vigilance in carrying out its duties and in protecting the rights and interests of the subscribers.

Custodian

Stock Holding Corporation of India (SCHIL) are the custodian to NPS. Tripartite agreements have been signed between NPS Trust, Stock Holding Corporation of India and respective Fund Managers after signing of IMAs. As per the agreement, the custodian is authorized to maintain all accounts, registers, corporate books and other documents on computer records and to produce when required by the client and / or PFRDA/ SEBI/ or a Court of competent jurisdiction

true and authenticated copies or reproduction of these records made by photographic, photo static or data processing methods. As per the NPS Trust Deed, Trust is empowered to issue instructions to the custodian not to assign, transfer, hypothecate, pledge, lend or otherwise dispose of any assets or property of the NPS Trust, except as per the provisions of the custody agreement.

The scope of work of the Custodian includes:-

Providing Custodial and depository participant services.

To hold the Properties as agent and discharge such custodial functions as are specifically provided.

NPS Trust Board: Appointments & Resignations

Dr. Rajan Saxena was appointed by PFRDA as a Trustee on the Board of NPS with effect from 8th June 2012. Mr. Shailesh Haribhakti was appointed by PFRDA as a Trustee on the Board of NPS with effect from 12th November 2012. Mrs. Pallavi Shroff was appointed by PFRDA as a Trustee on the Board of NPS with effect from 12th November 2012. Shri P K Rastogi was appointed by PFRDA as a Trustee on the Board of NPS with effect from 8th April 2013.

Shri Deepak Satwalekar resigned from the Board of Trustees with effect from 30th September 2012. Dr. Rajan Saxena resigned from the Board of Trustees with effect from 30th January 2013.

Audit Committee of the Board of Trustees of NPS Trust: Meetings held and Attendance

NPS Trust Board constituted an Audit Committee during the financial year. Three meetings of the Audit Committee to NPS Trust Board were held during the financial year 2012 -13. The details of Audit Committee meetings attended by the Trustees are as under:-

	Name	No. of Meetings attended
1. Shri Deepak Satwalekar	Chairman (Resigned on 30 th Sept. 2012)	--
2. Shri Shailesh Haribhakti	Chairman (With effect from Nov. 2012)	3
3. Shri Syed Shahabuddin	Member	3
4. Shri Nagendra Bhatnagar	Member	3

Meetings of the Board of Trustees of NPS Trust held and Attendance

Four meetings of the NPS Trust's Board of Trustees were held during the financial year 2012 - 13. The details of Board meetings attended by the Trustees are as under:-

	Name	No. of Meetings attended
1. Shri G. N. Bajpai	Chairman & Trustee (reappointed as Trustee on 27 th February 2012)	4
2. Shri Nagendra Bhatnagar	Chief Executive Officer & Trustee (Trustee with effect from 27 th February 2012)	4
3. Shri Syed Shahabuddin	Trustee(with effect from 27 th February 2012)	2
4. Shri Deepak Satwalekar	Trustee(with effect from 27 th February 2012, resigned on 30 th September 2012)	1
5. Dr. Rajan Saxena	Trustee (with effect from 8 th June 2012, resigned on 30 th January 2013)	1
6. Shri Shailesh Haribhakti	Trustee (with effect from 12 th Nov. 2012)	1
7. Smt. Pallavi Shroff	Trustee (with effect from 12 th Nov. 2012)	1

Accounts of National Pension System (NPS) Trust

The Accounts of the Trust for the financial year 2012-13 were audited by M/s. Ghosh Khanna & Co. Statutory auditors to NPS Trust. The Audited Accounts and Report of the Auditor are annexed to this report.

Agreements signed during the Financial Year 2012 - 13

NPS Trust entered into agreements with the Governments of Maharashtra for extending NPS to All India Officers. NPS Trust also signed Investment Management Agreements (IMA) with the three PFMs for Government Sector, and five for Private Sector (SBI Pension Fund Pvt. Ltd, LIC Pension Fund, ICICI Pru Pension Funds Management Company, Kotak Mahindra Pension Fund Ltd. and Reliance Capital Pension Fund Limited), who had obtained Registration from PFRDA under the new guidelines.

Indian Economy: Financial Year 2012-13

India's GDP growth fell to a decadal low of 5.0 per cent during 2012-13. Global environment remained unfavourable as the Euro zone remained in recession and uncertainty over the impending 'fiscal cliff' slowed down US recovery. However, India's slowdown in 2012-13 was driven largely by domestic factors.

Supply-side GDP growth (Year-on-Year %)

	FY13PE	FY12	Q3FY13	Q4FY13
GDP at factor cost	5.0	6.5	4.7	4.8
Agriculture	1.9	2.8	1.8	1.4
Industry	2.1	3.4	2.5	2.7
Mining & Quarrying	-0.6	-0.9	-0.7	-3.1
Manufacturing	1.0	2.5	2.5	2.6
Electricity, gas and water supply	4.2	7.9	4.5	2.8
Construction	4.3	5.3	2.9	4.4
Services	7.1	8.9	6.7	6.6
Trade, hotels, transport & communication	6.4	9.9	6.4	6.2
Financing, insurance, real estate and business services	8.6	9.6	7.8	9.1
Community, social & personal services	6.6	5.8	5.6	4.0

PE: Provisional estimates

Source: Central Statistical Organisation, CRISIL Research

Delayed monsoons slowed agricultural growth to 1.9%, much below its trend rate of 3.0%. resulted in Industrial growth fell to 2.1%, mainly due to weak domestic demand – both, consumption and investment, policy bottlenecks and delays in commissioning large projects.

Within industry, manufacturing and mining were the worst hit. The ongoing restrictions on mining led to a contraction in the mining sector for a second consecutive year. Shortage in fuel supply, particularly coal and natural gas, adversely impacted manufacturing growth. A sharp slowdown in private consumption growth to 4.0% and sustained weakness in exports too adversely affected the manufacturing sector, which in 2012-13, grew by 1.2% – its slowest pace of growth in past 15 years. Services sector was relatively untouched in as much as that the sector grew at 7.1% in 2012-13 as against 8.2% in the previous year.

IIP - Sectorial Growth (Year-on-Year %)

	Weight	Mar-12	Mar-13	2011-12	2012-13
General	1000	-2.8	2.5	2.9	1.0
Manufacturing	755.27	-3.6	3.2	3.0	1.2
Mining	141.57	-1.1	-2.9	-2.0	-2.4
Electricity	103.16	2.7	3.5	8.2	4.0
Core Sector*	379.03	3.0	2.9	5.0	2.6
Use Based Industry (%)					
Basic	355.65	1.1	2.6	5.5	2.3
Capital	92.57	-20.1	6.9	-4.0	-6.3
Intermediates	265.14	0.0	-0.2	-0.6	1.3
Consumer Goods	286.64	1.1	1.6	4.4	2.4
-Durables	53.65	1.2	-4.5	2.6	2.0
-Non durables	232.99	1.0	6.5	5.9	2.7

Source: Central Statistical Organisation, CRISIL Research

*Core Sector Includes eight infra industries - coal, crude oil, natural gas, fertilisers, steel, cement, electricity & refinery products

Private corporate sector investments was impacted due to policy related issues as well as weak demand and as a result Fixed capital investments grew by 1.7% only in 2012-13, reflecting the subdued investment climate. In September 2012, the government announced a series of reforms, including decision to allow FDI in multi-brand retail and steps to reduce its fuel subsidy bill. While these reforms improved the investment sentiment and will be beneficial for growth in the medium term-they could not lift growth in 2012-13.

With continuing weak global demand, exports growth fell to 3.0% in 2012-13 from 15.3% in the previous year. However, imports grew much faster at 6.8%, due to rising imports of oil and gold, which together account for over 40 per cent of merchandise imports. Consequently, India's current account deficit is expected to have widened to 5.1% in 2012-13. Though net capital inflows were at a record high of \$30 billion in 2012-13, the rupee depreciated by 7.5% during the year.

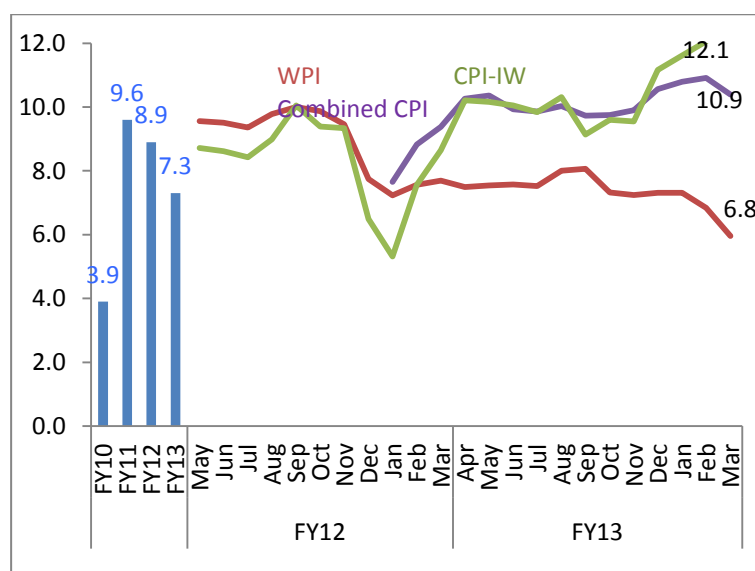
Moreover, despite a sharp and broad-based decline in growth, inflation remained high. Average WPI inflation for 2012-13 was 7.4 per cent, much above the RBI's comfort level of 4.5-5.0 per cent. Food inflation rose sharply to 9.9 per cent, as government increased minimum support prices by 14-15 per cent after a weak monsoon. A sharp depreciation in the rupee and continued upward revisions in prices of fuels such as diesel and electricity kept up the pressure on fuel inflation, which averaged 10.3 per cent in 2012-13. However, corporates were unable to pass on these cost increases into prices of manufacturing output, as demand had weakened significantly. Core or non-food manufacturing inflation – a measure of demand-side pressures on prices fell to 3.6 in March 2013 from a peak of 5.8 per cent in August 2012, reflecting the limited pricing power of corporates.

Inflation in major inflation groups (Year-on-Year in %)

(2004-05 base)	Weight	Mar-12	Mar-13	FY12	FY13
General	100.0	7.7	6.0	8.9	7.3
Primary	20.1	10.4	7.6	9.8	9.8
- Food articles	14.3	10.1	8.7	7.3	9.9
- Non-Food articles	4.3	-0.8	9.0	9.6	10.4
- Minerals	1.5	34.5	-0.4	26.6	8.1
Fuel	14.9	12.8	10.2	14.0	10.5
Manufacturing	64.9	5.2	4.1	7.3	5.4
- Food	9.9	6.2	7.0	7.1	8.0
- Non Food	55.0	5.0	3.5	7.3	4.8
- CCII	55.9	4.5	4.8	6.9	5.4

Source: Ministry of Commerce & Industry, CRISIL Research

Headline Inflation (Year-on-Year in %)



Source: Ministry of Commerce & Industry

With headline inflation remaining high, the space for monetary easing was limited. After reducing the repo rate by 50 basis points to 8.5 per cent in April, the Reserve Bank of India refrained from any further rate cuts until the very last quarter of the fiscal year. Moreover, monetary transmission was fairly weak as low deposit growth constrained banks from lowering deposit rates, thereby keeping their cost of funds high. Lower growth resulted in lower-than-budgeted tax revenues, exacerbating the fiscal stress. Under these circumstances, the government had to sharply cut back its expenditure in order to contain fiscal deficit at 4.9 per cent of GDP.

Global economy: Calendar Year 2012

US

US economy grew by 2.2 per cent in 2012 as against 1.8 per cent in 2011. In Q4 2012, a decline in business inventories, lower government spending and slower exports narrowed down GDP growth. However, the narrowing was partly offset by higher private consumption expenditure, lower imports and higher non-residential fixed investments. Inflation in the US declined during 2012 and ended at 1.7 per cent in December 2012 from 3.0 per cent a year ago.

UK

UK's growth fell to 0.3 per cent in 2012 as against 0.8 per cent in 2011. While services grew by 1.2 per cent, industrial production fell by 2.5 per cent and construction dropped by 9.3 per cent in 2012. Services comprise about three-quarters of UK's economic activity. The Consumer Price Inflation (CPI) stood at 2.7 per cent in December 2012 compared to 3.7 per cent in 2011.

GDP growth (quarter-on-Quarter in %)

Country	2011	2012	Q1-12	Q2-12	Q3-12	Q4-12
United States#	1.7	2.2	2.0	1.3	3.1	0.4
UK#	0.7	0.3	-0.1	-0.4	0.9	-0.3
Euro zone#	1.5	-0.6	0.0	-0.2	-0.1	-0.6
Japan#^	-0.5	2.0	6.0	-0.9	-3.7	0.2
China#	9.2	7.8	8.1	7.6	7.4	7.9

Note: # Seasonally adjusted, ^ y-o-y %, Source: Statistical Bureau, Respective Countries

Euro zone

GDP fell by 0.6 per cent in the fourth quarter of 2012, taking the overall GDP growth for 2012 to -0.6 per cent. France also entered into a recession as its GDP declined by 0.3 per cent during the same period. During 2012, for a while French GDP growth was zero, after growing at 1.7 per cent in 2011. The sharpest decline in growth was seen by Greece, whose GDP contracted by 6.0 per cent in 2012. The Euro area inflation declined to 2.2 per cent in December 2012 as against 2.7 per cent a year ago. In December 2012, the lowest annual rates were observed in Greece (0.3 per cent), Sweden (1.1 per cent), France and Cyprus (both 1.5 per cent), and the highest in Hungary (5.1 per cent), Romania (4.6 per cent) and Estonia (3.6 per cent).

China

Chinese economy grew at 7.8 per cent during 2012, higher than the government's target of 7.5 per cent. The Chinese central bank had cut policy rates twice in 2012 to support growth. During

2012, the primary sector's output grew by 4.5 per cent, while secondary and tertiary industries' output grew by 8.1 per cent each. Though China's GDP growth has exceeded government expectations, it is still the lowest growth rate since 1999. China's CPI grew by 2.5 per cent in December 2012 both in cities and rural areas. Food prices went up by 4.2 percent, while non-food prices increased by 1.7 percent. Prices of consumer goods went up by 2.5 percent while that of services grew by 2.5 percent. In 2012, overall consumer prices were up by 2.6 percent over the same period of the previous year.

Japan

Japan's economy grew by 2 per cent during 2012 as compared to a contraction of 0.5 per cent in 2011.

Policy Rates

Central banks of the US, Japan and the UK had kept rates unchanged during 2012 whereas the European Central Bank (ECB) slashed its policy rate by 25 bps to 0.75 per cent in July and the Reserve Bank of Australia slashed policy rates by 125 bps to 3 per cent during 2012.

Japan and the US maintained their policy rates close to zero. The Fed also pledged to keep short-term interest rates near zero until 2015, and not 2014 as planned earlier, to provide further impetus to investments and growth. During September 2012, the Fed launched its third quantitative easing programme (QE3), under which it was expected to purchase \$40 billion of mortgage-backed assets every month, until there was a sustained improvement in the US job market.

The Bank of England kept its bank rate unchanged at 0.5 per cent. People's Bank of China slashed its policy rate twice during 2012 to 6.0 per cent.

During September 2012, the ECB announced outright monetary transactions (OMTs) - an unlimited bond-buying programme - that would help lower borrowing costs for countries - such as Greece, Spain and Italy - with huge, unsustainable, debt burdens. Through OMTs, the ECB would buy government bonds of ailing economies in the secondary market on the condition that the respective country implements certain economic reforms.

Policy rates in Major Economies

Country	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
United States	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25	0.0-0.25
United Kingdom	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Euro zone	1.0	1.0	1.0	1.0	1.0	1.0	0.75	0.75	0.75	0.75	0.75	0.75
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
China	6.56	6.56	6.56	6.56	6.56	6.31	6.0	6.0	6.0	6.0	6.0	6.0
Australia	4.25	4.25	4.25	4.25	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.00

Global Equity Markets

Global equity markets posted positive returns (MSCI World Index gave 9 per cent) in FY13 led by strong rallies in developed economies such as the US and Europe mainly due to improvement in economies, supported by expansionary monetary policy and flight to safety. The riskier emerging markets were flat or posted negative returns (MSCI Emerging Market Index gave -1 per cent in FY13).

The US markets continued their growth streak with the DOW hitting life-time highs. Positive economic data combined with the phenomena of return of capital to safe assets saw the US equity markets posting 10 per cent return during FY13. After a tepid FY12, the key European indices such as FTSE 100, CAC 40 and DAX posted 11 per cent, 9 per cent and 12 per cent returns, respectively, as concerns relating to sovereign debts of European economies started to ebb. The NIKKEI was the star performer during the year driven by expansionary policies and record fiscal stimulus packages announced by the newly elected government delivering 22 per cent return during the year.

Returns of key world markets in FY13

Index	Country/Region	Returns (%) [*]
<u>Americas</u>		
DOW JONES INDUS. AVG	US	10
S&P 500 INDEX	US	11
BRAZIL IBOVESPA INDEX	Brazil	-13
MEXICO IPC INDEX	Mexico	12
<u>Europe</u>		
FTSE 100 INDEX	UK	11
CAC 40 INDEX	France	9
DAX INDEX	Germany	12
<u>Asia</u>		
NIKKEI 225	Japan	22
HANG SENG INDEX	Hong Kong	8
KOSPI INDEX	South Korea	-1
TAIWAN TAIEX INDEX	Taiwan	-1
JAKARTA COMPOSITE INDEX	Indonesia	20
NSE CNX NIFTY INDEX	India	7
TAIWAN TAIEX INDEX	Taiwan	-1
KOSPI INDEX	South Korea	-1
<u>Regional Indices</u>		
MSCI EM	Emerging markets	-1
MSCI WORLD	World	9
MSCI AC ASIA x JAPAN	Asia-Ex Japan	4
MSCI EUROPE	Europe	11

^{*}From March 30, 2012 to March 28, 2013. For indices which were not traded on these dates, the nearest dates were selected

The removal of fiscal stimulus and withdrawal of expansionary policies adopted by the developed economies will have to be monitored. The sustainability of economic activity in

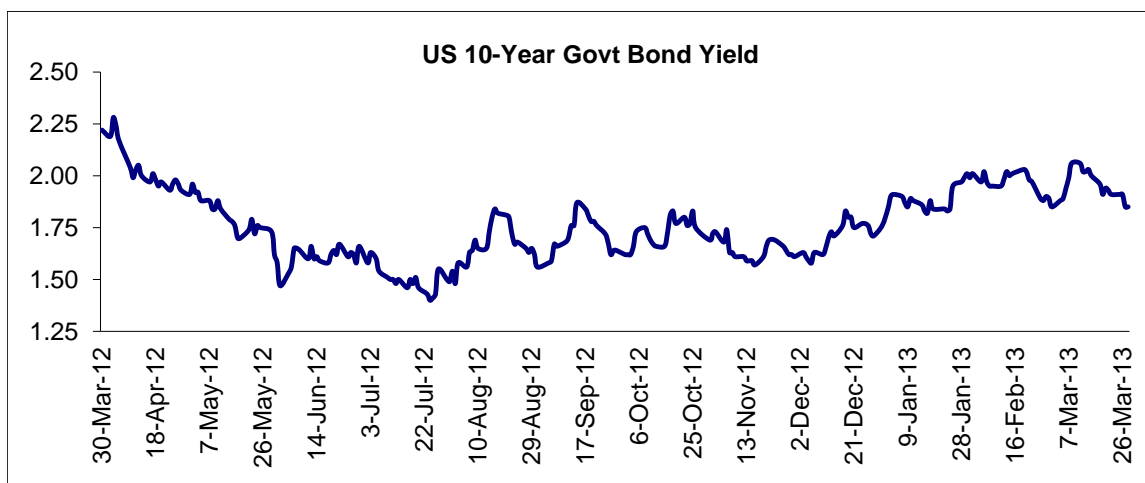
absence of these measures will be a key indicator of economic recovery and will help drive the global equity asset class.

The emerging markets were impacted by flight of capital to safer economies and posted negative returns. The Indian equity market, however, bucked this trend posting a strong 7.3 per cent return during the year. Local economic problems and high trade deficits in these economies led to their underperformance.

International Debt and Gilt Market (United States)

US treasury prices rose in the fiscal year ended March 2013 but closed sharply off their highs reached during the 1-year period. The yield on the US 10-year benchmark closed at 1.85 per cent on March 28, 2013, down 37 bps compared with 2.22 per cent yield on March 30, 2012; the yield was, however, higher compared with 1.40 per cent, in the last week of July 2012. US debt prices started the fiscal sharply up led by risk aversion world-wide on worries of escalating debt crisis in the Euro zone and slowing growth globally. Both these factors continued to put upward pressure on US treasury prices throughout the 1-year period. Geo-political tensions in the Middle-East, worries over the US fiscal cliff (in the quarter ended December 2012) and news in the first quarter of 2013 that the US Federal Reserve may pull back its stimulus plan earlier than expected also pushed gilt prices up during the fiscal year.

Further gains in prices were, however, capped amid intermittent improvement in global risk appetite; this improvement came on the back of improvement in the US economic scenario and following positive actions from global central banks. Among the major actions initiated by global central banks, the European Central Bank (ECB) unveiled a new bond buying programme aimed at containing the region's debt crisis. The US Federal Reserve too followed suit; it initiated a new monthly bond buying program worth \$40 bn in September 2012, which was later enhanced by another \$45 bn in December 2012. The central bank also said that it would continue with its near-zero interest-rate program until the unemployment rate falls to 6.5 per cent. Similar stimulus cum monetary easing measures were also initiated by the Japanese and Chinese central banks leading to improvement in global risk appetite and reduction in demand for US debt.



Indian Equity Markets

The Indian equity market gave 7.3 per cent return in FY13 driven primarily by record liquidity inflows (FII inflows of Rs 1,394 bn), attractive valuations, positive global market sentiments and hopes of policy actions. Global inflows combined with continued weak economic data (low GDP, high inflation and widening current account deficit) and selling by domestic institutional investors (DIIs), however, led to bouts of volatility in the Indian equity market during FY13; it traded in a wide range of 4800-6000. While the Indian equity market underperformed developed markets of the US, the UK and Germany, it was a better performer amongst the BRICS nations.

Post a 20 per cent rally in January-February 2012, which saw CNX Nifty reaching 5500 levels, early FY13 was marked with a sharp correction which led CNX Nifty to 4800-4900. Lack of domestic policy action coupled with weakening macro-economic indicators such as high inflation, low GDP growth and weak corporate earnings led to the correction. Further, continued risk of sovereign debt crisis in Europe and lack of clarity on General Anti Avoidance Ruling (GAAR) also weighed on investor sentiments.

Things took a positive turn in June-September 2012 as increasing hopes of policy action following the appointment of the new finance minister, P. Chidambaram, led to a strong rally. A slew of reforms such as FDI in multi-brand retail and aviation, debt restructuring of state power utilities, foreign equity investment in pension and insurance sectors, and measures taken to curb the widening fiscal deficit revived investor sentiments leading to a continued rally during December 2012-January 2013. The US senate's measures to avoid the "fiscal cliff" and its continued quantitative easing programme boosted the sentiments in the domestic market. Positive global sentiment coupled with global inflows saw the Indian equity market touch 6000 during January-February 2013.

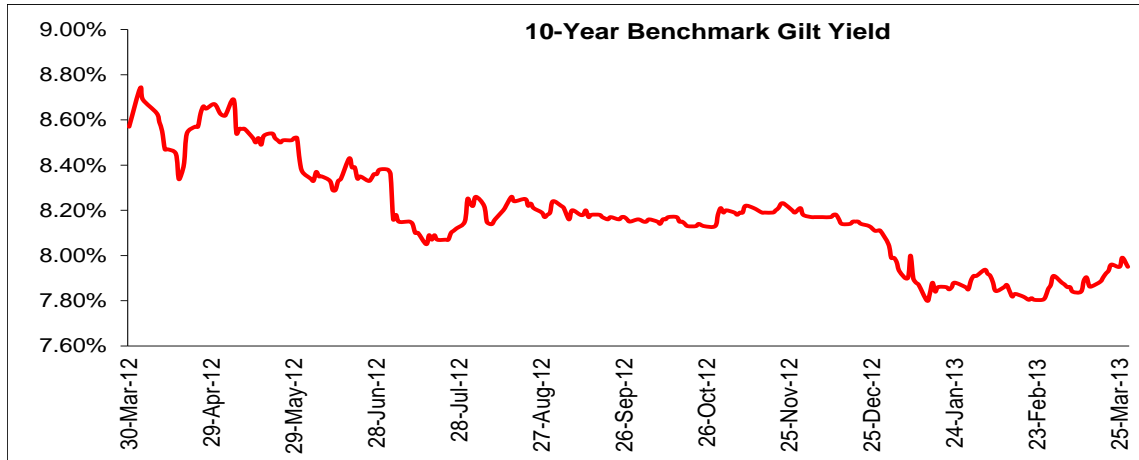
During the year, though liquidity was abundant, investors preferred defensive and high quality companies. Not surprisingly, FMCG and pharma indices were amongst the top performers, giving 34.1 per cent and 18.2 per cent returns in FY13 respectively. High beta sectors such as metal, infrastructure and realty posted negative returns of 26.9 per cent, 11.9 per cent and 6.3 per cent respectively.

The equity market ended FY13 on a low note mainly due to continued weakening of economic parameters. The CNX Nifty ended FY13 at 5683, down 6 per cent from its peak in January-February 2013.

Indian Debt Market

Inter-bank call money rates hovered in the broad range of 7.10-9.50 per cent range in the financial year ended March 2013 amid strong demand from banks and liquidity infusing measures by the Reserve Bank of India (RBI). The range of call rates declined over the calendar in line with the cut in key borrowing rate (Repo rate) by the RBI; the central bank cut its key interest rate by 100 bps in the latest fiscal to promote growth in the country. Other measures by the central bank such as cut in the cash reserve ratio (CRR) of banks and regular open market operations (OMOs) to purchase gilts also helped cap rise in call rates during the fiscal.

Chart 1: 10-Year Benchmark Gilt Yield



Gilt prices gained in the financial year ended March 2013, with the yield on the 10-year benchmark 8.15%, 2022 bond falling to 7.95 per cent on March 28, 2013 compared with 8.57 per cent on March 30, 2012 helped by the monetary easing measures by the RBI. Most gain in gilt prices came after December 2012 driven by expectations of monetary easing by the RBI considering the macroeconomic situation in the country. These hopes were fanned following signs of slowing gross domestic product (GDP) growth and fall in the inflation rate (wholesale price index or WPI). The Indian economy grew 5 per cent in 2012-13, the slowest annual growth rate in almost a decade and compared with 6.5 per cent growth seen in the previous fiscal. Meanwhile, India's headline inflation measured by the wholesale price index fell to a 40-month-low of 5.96 per cent in March 2013 compared with 7.69 per cent in March 2012. The central bank also stepped up its act of cutting interest rate since January 2013, cutting rates twice by 25 bps in its January and March policy review (it also cut rates by another 25 bps in May 2013). Earlier in the fiscal, the RBI had cut its key rate by 50 bps in April 2012. OMO purchases by the RBI, strong measures by the central government to reduce fiscal deficit pressures and raising of FII limits in gilts by \$5bn to \$15bn also helped gilts during the calendar year.

Among regulatory developments, the central bank allowed banks to undertake notional short-selling of government securities, allowed qualified foreign investors (QFIs) to invest in debt securities on a repatriation basis, permitted banks to become members of stock exchanges approved by the SEBI to undertake proprietary transactions in the corporate bond market, released guidelines for licensing of new banks in the private sector. Besides, SEBI came out with guidelines for setting up a separate debt segment on bourses where entities such as banks and pension funds can also execute trades while the government allowed qualified foreign investors (QFIs) to invest up to a total of \$1 billion in the corporate bond market and domestic mutual fund debt schemes. Further, the Union Finance Minister launched the country's first infrastructure debt fund through the non-banking financial company route.

Indian Mutual Fund Industry

The domestic mutual fund industry's quarterly average AUM rose by 23 per cent Year-on-Year (y-o-y) to Rs 8.17 trillion in March 2013 while month-end AUM rose by over 19 per cent to Rs 7.01 trillion. In comparison, the industry had recorded a contraction of 5 per cent in quarterly average AUM y-o-y in March 2012. March 2013 saw the highest average AUM level since September 2010 when AMFI started declaring quarterly average numbers.

AUM growth was mainly due to inflows of Rs 870 bn into income funds (long-term debt funds, Fixed Maturity Plans (FMPs), short term and ultra-short term debt funds) and gilt funds - on expectations of a fall in interest rates following slowing domestic growth and easing inflation. Bond prices (Net Asset Value or NAVs) and interest rates (yields) move in opposite directions. Further, funds with longer average portfolio maturities benefit more in a falling interest rate environment. Accordingly, long term debt oriented funds benefit from a fall in interest rates and attracted more AUM. The RBI lowered its key interest rate (Repo rate) by 0.50 per cent (50 bps) first in April 2012, later by 25 bps in January 2013 to 7.75 per cent followed by another 25bps cut in March 2013 to 7.50 per cent. The debt category continued to corner a major share of mutual fund assets with almost 75 per cent in 2013. AUM of equity funds fell by 5 per cent (y-o-y) to Rs 1.73 trillion as of March 2013 mainly due to outflows on account of profit booking as the CNX Nifty was up by 7 per cent in FY 2013. The category witnessed net outflows of Rs 146 bn during the FY 2013.

The industry continued to remain top heavy with top five fund houses comprising 53 per cent of AUM while the top 10 fund houses comprised 77 per cent of AUM. The industry also saw some consolidation and stake sales to foreign asset managers.

Among major regulatory initiatives, SEBI decided that all new investors will be subjected to single expense structure under a single plan to avoid differential treatment in the same scheme to different classes of investors. Further, as an alternate for investors who want to invest in the fund directly and not go through a distributor, SEBI has also announced that each scheme will offer an equivalent direct plan. To improve the geographical reach and bring in long-term money from smaller towns, asset management companies (AMCs) are allowed to charge additional expenses (up to 30 basis points or bps) depending upon the extent of new inflows from locations beyond top 15 cities. Mutual funds will also have to set apart at least 2 bps of their AUM for investor education and awareness initiatives. The Rajiv Gandhi Equity Savings Scheme (RGESS) was launched for first time equity investors and offered tax benefits. Further, SEBI directed mutual funds to label mutual fund products with pre-determined colour code to help investors assess the risks associated with the schemes and prevent mis-selling. SEBI allowed gold exchange traded funds to park upto 20 per cent of their AUM in banks' gold deposit schemes as well as notified about setting up a Self-Regulatory Organisation (SRO) to monitor distributors of mutual fund and portfolio management products.

IndianLife Insurance Industry update

Financial year 2012-13 for the life insurance industry was marked by key regulatory changes from the Insurance Regulatory Development Authority (IRDA) with an aim to reform the industry, standardize products and approval processes and improve transparency. On the business front, the assets under management (AUM) of life insurance companies as of December 2012 stood at Rs.17.70 trillion compared to Rs.15.81 trillion as of March 2012 – growth of 12 per cent. The industry had grown by 11 per cent in the previous year from Rs.14.30 trillion as of March 2011.

First year business premium income fell 7 per cent year on year (YoY) in March 2013 to Rs 225.09 billion.

On the regulatory front, key reforms measures included, revised norms for investment in various market instruments, discontinuation of highest net asset value (NAV) guaranteed products, guidelines on investment in credit default swaps, guidelines to cap commissions, minimum sum assured, and guaranteed surrender value on traditional insurance policies. To help improve penetration of insurance products, the Union Budget permitted banks to sell insurance products of multiple companies while banking correspondents were allowed to sell micro-insurance products. Currently banks can sell products of only one insurer.

Among standardization measures, IRDA asked insurance companies to standardize client application forms, four working groups were formed to standardise products offered and 18 product categories were identified for standardisation, life insurers were asked to submit a 'Product Planner' before the beginning of every financial year to reduce the time taken for product approvals. To improve awareness and educate consumers to buy an insurance cover, IRDA launched a website www.policyholder.gov.in.

International Pension Market

Global economy showed signs of resilience during 2012 despite volatile financial and economic conditions emanating from the United States and Europe. The World Bank estimates the global economy grew 2.3 per cent in 2012, with developing countries responsible for more than half of that growth.

City UK, an independent membership body, estimates global pension assets to have risen by 8 per cent to \$39.9 trillion at end-2012 from \$31.4 trillion at end-2011. This is the fourth year of continuous growth, with OECD figures showing rise of 5 per cent and 11 per cent in 2010 and 2011 respectively. Previously, the fall in equity markets following the financial crisis led to a 16 per cent drop in pension assets in 2008. However, despite this setback the value of assets has more than doubled over the past decade.

In terms of market share, the US continued to top the list with a share of 56 per cent of the global pension assets followed by the UK with 10 per cent of assets, Canada 7 per cent Japan 5 per cent and Australia and the Netherlands with 4 per cent each. The large value of assets accumulated over many decades means that these countries are likely to remain the dominant source of assets for years to come. Among the emerging economies, Brazil topped the list with \$308 bn pension assets followed by South Africa, South Korea, Mexico and Chile managing assets between \$100m and \$200m.

A study by Towers Watson, a consultancy that advises institutional investors including pension funds on investment and risk management, found that activity in the seven biggest pension markets within the top 13 countries have steered away from investing in bonds and cash allocations in the past 18 years. According to the firm, Australia, Canada, Japan, the Netherlands, Switzerland, Britain and the US have upped alternative investments, such as property, hedge funds, private equity and commodities, from 5 per cent to 19 per cent since 1995. Government gilts in particular, a staple for pension funds, have seen yields drop sharply since the global economic crisis, making it more expensive for funds to match income to liabilities unless they add riskier, higher-yielding assets to portfolios. United Kingdom has increased its exposure to alternative assets the most, from 3 per cent to 17 per cent, followed by Switzerland, Canada, the US and Australia. Pension funds are buying fewer bonds than before, and those which are considering adding risk to their investment portfolios are most often diversifying into alternative assets rather than simply buying equities. At the end of 2012, 47.3 per cent of the asset allocation went to equities, 32.9 per cent to bonds, 1.2 per cent to cash and 18.6 per cent to other assets.

During 2012, in the 13 major markets, global pension assets to GDP ratio increased from 72.2 per cent at the end of 2011 to 78.3 per cent at the end of 2012 – below the level of 78.8 per cent reached at 2007 year-end. Meanwhile, during the past 10 years, Defined Contribution assets have grown at a rate of 7.8 per cent while Defined Benefit assets have grown at a slower pace of 6.6 per cent per annum. At the end of 2012, DC assets represented 45.4 per cent of total pension assets, having risen from 42.6 per cent in the past decade. The rise in market share of DC can be attributed to efforts by governments across the world to phase out costly final-salary pension plans.

<http://uk.reuters.com/article/2013/01/31/uk-global-pension-assets-idUKLNE90U01Z20130131>

http://www.nytimes.com/2013/01/16/business/global-economy-is-looking-brighter-world-bank-says.html?_r=0

Indian Pension Market

Pension Fund Regulatory & Development Authority (PFRDA)

PFRDA took major initiatives to expand and deepen the Pension market in India. Registration process following a 'Fit & Proper' criterion was introduced for the Pension Fund Managers (PFMs) desirous of entering the Private Sector NPS and detailed guidelines were issued. PFMs were also given the flexibility of quoting Investment Management Fee to Subscribers in the Private Sector NPS, subject to a ceiling prescribed by the PFRDA. An upper ceiling of 0.25% has been fixed by PFRDA. Guidelines for Financial statements of NPS Scheme Accounting as well as Guidelines for appointment of Auditors by PFMs for PF and Schemes were issued. Similarly guidelines for empanelment of brokers by PFMs were also issued.

During the year the process of appointment of PFMs through RFP route for the Government sector NPS was undertaken and all the three existing PFMs (SBI PF, LIC PF & UTIRSL) were reappointed in April 2012.

PFRDA have empanelled the following seven Annuity Service Providers (ASPs) for providing annuity services to NPS subscribers:-

- Life Insurance Corporation of India
- SBI Life Insurance Co. Ltd.
- ICICI Prudential Life Insurance Co. Ltd.
- Bajaj Allianz Life Insurance Co. Ltd.
- Star Union Dai-ichi Life Insurance Co. Ltd.
- Reliance Life Insurance Co. Ltd.
- HDFC Standard Life Insurance Co. Ltd.

A default ASP and Annuity scheme have also been provided to the NPS subscribers by PFRDA with Life Insurance Corporation of India being the default ASP and Joint life survivor option providing for Annuity (monthly pension) for life of the subscriber with a provision of 100% of the annuity payable to spouse during his/her life on death of annuitant would be the default annuity scheme.

Point of Presences (POPs) have been authorized to develop online platforms for subscriber registration and operation of NPS accounts and at present two of the POPs namely ICICI Securities and Kotak Mahindra Bank have operationalized the online platform.

National Pension System (NPS)

There is an overall growth of 96.9% in the NPS Corpus. Table I below shows the growth in AUM Scheme wise, subscriber class wise. NPS (Corporate) Scheme has shown a robust growth of 771.31 % during the quarter ended March 13. In respect of Private sector NPS; equity has a significant share of 31.1% (higher than Bond share of 24.8%).

TABLE I : Asset Under Management (AUM) Break up in NPS - Subscriber Class Wise Scheme Wise Position as on 31st March 2013																
Schemes	Subscriber Class														Amount: Rupees in Crores	
	NPS Main		NPS Corporate		NPS Lite		Sub Total		Central Govt (CG)		State Govt (SG)		Central Govt Autonomou Bodies (CGAB)		Grand Total	
	Amt.	% Growth	Amt.	% Growth	Amt.	% Growth	Amt.	% Growth	Amt.	% Growth	Amt.	% Growth	Amt.	% Growth	Amt.	% Growth
Equity Tier I	70.9	68.9%	96.8	341.8%			167.8	162.5%							167.8	162.5%
Equity Tier II	13.2	87.0	0.3				13.5	91.8%	0.1	919.7%	0.3	2234.8%	0.1	N.A.	14.0	98.6%
Equity Total	84.1	71.5	97.2	343.4%			181.3	155.5%	0.1	919.7%	0.3	2234.8%	0.1	N.A.	181.8	156.2%
<i>% Share of Equity</i>	36.4%		27.6%				31.1%		36.8%		44.7%		27.8%		31.1%	
Bonds Tier I	54.1	71.2	74.7	350.0%			128.8	167.2%							128.8	167.2%
Bonds Tier II	15.2	93.5	0.3				15.5	96.9%	0.1	1201.1%	0.2	3580.5%	0.1	N.A.	15.9	102.1%
Bonds Total	69.4	75.7	75.0	351.6%			144.3	157.3%	0.1	1201.1%	0.2	3580.5%	0.1	N.A.	144.8	158.0%
<i>% Share of Bonds</i>	30.0%		21.3%				24.8%		31.6%		26.4%		38.9%		24.8%	
G Sec Tier I	65.3	77.9	179.4	339.5%			244.7	215.7%							244.7	215.7%
G Sec Tier II	12.3	74.0	0.2				12.5	76.8%	0.1	979.6%	0.2	2354.3%	0.1	N.A.	12.9	82.4%
G Sec Total	77.5	77.2	179.6	340.0%			257.1	204.1%	0.1	979.6%	0.2	2354.3%	0.1	N.A.	257.6	204.5%
<i>% Share of G Sec</i>	33.6%		51.1%				44.1%		31.6%		28.9%		33.3%		44.1%	
Sub Total Tier I	190.3	72.6	350.9	342.3%			541.3	185.4%	0.0		0.0		0.0	N.A.	541.3	185.4%
Sub Total Tier II	40.7	85.2	0.8				41.5	88.8%	0.4	1015.4%	0.7	2525.6%	0.4	N.A.	42.9	94.6%
Tier I + Tier II	231.0	74.7	351.7	343.3%			582.8	175.4%	0.4	1015.4%	0.7	2525.6%	0.4	N.A.	584.2	176.0%
NPS Lite					436.1	210.5	436.1	210.5%							436.1	210.5%
Central Govt **	0.1	N.A.	0.2				0.3		15528.2	38.0%			1784.5	N.A.	17313.0	53.8%
State Govt			75.2	52.7%			75.2	52.7%			10748.1	206.6%			10823.4	204.4%
Corporate CG			693.4				693.4								693.4	
Grand Total	231.1	74.7	1120.5	771.3%	436.1	210.5	1787.7	345.5%	15528.6	38.0%	10748.8	206.6%	1784.9	N.A.	29850.0	96.9%
<i>% Share in total Corpus</i>	0.8%		3.8%		1.5%		6.0%		52.0%		36.0%		6.0%		100.0%	

Table II below shows the scheme-wise growth in AUM for the year ended March 2013 along with historic data. There was an overall YoY growth in total NPS corpus of 76.6% in the FY 2011-12, which has increased in the last FY to 96.86 % SG corpus has registered a growth of 204.4% due to more states joining as well upload of regular / legacy funds due to follow up with the State Govts. In respect of Private sector, we witness a declining trend in share of Equity as well Bonds in the total corpus, reflecting the uncertain market conditions. It will be seen that on YoY basis, in the FY 11-12, maximum growth of 159.6% took place in the G. Sec. Portfolio followed by 145.7% in Bond portfolio. During the current FY, this trend has continued and growth in G. Sec is 204.51 % followed by 158.03 % in Bond portfolio.

TABLE II : Asset Under Management (AUM) Break up in NPS - Growth Scheme Wise Position as on 31st March 2013						Amount: Rupees in Crores	
Schemes	Actuals - AUM as on 31st March 2013			Growth in AUM			
	Mar-11	Mar-12	Mar-13	YoY March 12 over March 11		During the Current Financial Year Over March 12	
				Amount	%	Amount	%
Equity Tier I	27.7	63.9	167.8	36.2	130.7%	103.9	162.5%
Equity Tier II	3.6	7.1	14.0	3.5	97.4%	7.0	98.6%
Equity Total	31.3	71.0	181.8	39.7	126.8%	110.8	156.2%
<i>Share of Equity in Total</i>	36.1%	33.5%	31.1%	31.8%		29.8%	
Bonds Tier I	19.9	48.2	128.8	28.3	142.7%	80.6	167.2%
Bonds Tier II	3.0	7.9	15.9	4.9	165.7%	8.0	102.0%
Bonds Total	22.8	56.1	144.8	33.3	145.7%	88.7	158.0%
<i>Share of Bonds in Total</i>	26.3%	26.5%	24.8%	26.6%		23.8%	
G Sec Tier I	28.9	77.5	244.7	48.6	168.0%	167.2	215.7%
G Sec Tier II	3.7	7.1	12.9	3.4	92.8%	5.8	82.3%
G Sec Total	32.6	84.6	257.6	52.0	159.5%	173.0	204.5%
<i>Share of G Sec in Total</i>	37.6%	40.0%	44.1%	41.6%		46.4%	
Sub Total Tier I	76.5	189.6	541.3	113.1	147.9%	351.6	185.4%
Sub Total Tier II	10.2	22.0	42.9	11.8	115.6%	20.8	94.6%
Tier I + Tier II	86.7	211.7	584.1	125.0	144.1%	372.5	176.0%
NPS Lite	3.1	140.5	436.1	137.3	4390.8%	295.6	210.5%
Central Govt	7,266.4	11,256.0	17,313.0	3,989.6	54.9%	6,057.0	53.8%
State Govt	1,228.5	3,555.1	10,823.4	2,326.6	189.4%	7,268.3	204.4%
Corporate CG	0.0	0.0	693.4	0.0	-	693.4	
Grand Total	8,584.7	15,163.2	29,850.0	6,578.5	76.6%	14,686.8	96.9%

Table III below shows the growth in AUM subscriber class wise. Maximum growth in private sector has been registered in the NPS Corporate, which has also seen its share in total NPS corpus go up by 3% to 3.8% in the current FY. Similarly share of SG Scheme has been increasing and is now at 36% in total NPS Corpus, an increase of 12.9% over the previous FY.

TABLE III : Asset Under Management (AUM) Break up in NPS - Growth - Subscriber Class Wise								Amount: Rupees	in
Position as on 31st March 2013								Crores	
Subscriber Class	Actuals - AUM as on 31st March 2013			Growth in AUM					
	Mar-11	Mar-12	Mar-13	YoY March 12 over March 11		During the Current Financial Year Over March 12			
				Amount	%	Amount	%		
NPS Main	54.9	132.3	231.1	77.4	140.9%	98.8	74.6%		
<i>Share of NPS Main in Total Corpus</i>	0.6%	0.9%	0.8%	1.2%		0.7%			
NPS Corporate	56.3	128.6	1120.5	72.3	128.3%	991.9	771.3%		
<i>Share of NPS Corporate in Total Corpus</i>	0.7%	0.8%	3.8%	1.1%		6.8%			
NPS Lite	3.1	140.5	436.1	137.3	4390.3%	295.6	210.5%		
<i>Share of NPS Lite in Total Corpus</i>	0.0%	0.9%	1.5%	2.1%		2.0%			
Sub Total	114.4	401.4	1787.7	287.0	250.9%	1386.3	345.4%		
<i>Share of Pvt Sector in Total Corpus</i>	1.3%	2.6%	6.0%	4.4%		9.4%			
Central Govt	7266.4	11256.0	17313.5	3989.6	54.9%	6,057.5	53.8%		
<i>Share of CG in Total Corpus</i>	84.6%	74.2%	58.0%	60.6%		41.2%			
State Govt	1204.0	3505.8	10748.8	2301.9	191.2%	7,242.9	206.6%		
<i>Share of SG in Total Corpus</i>	14.0%	23.1%	36.0%	35.0%		49.3%			
Grand Total	8584.7	15163.2	29850.0	6578.5	76.6%	14686.8	96.9%		

Table III A shows the position of NPS – PFM wise. SBI PF continues to be the dominant player in both Govt. as well as Private Sector with a 39.3% overall share in NPS and a share of 70.3% in the private sector. SBIPF increased its share in private sector by 18% and 74.5% share in the yearly private sector growth in FY 12-13. As a result, the private sector PFMs have lost market share in the FY 12-13.

Table III A : Growth Analysis - Pension Fund Manager wise as on 31.03.2013 (Amt. in Rs. Crores)							
PFM	Year 2010-11	Year 2011-12	Year 2012-13	Growth Analysis- Growth in			
				2011-12 over 2010-11		2012-13 over 2011-12	
				Amount	%	Amount	%
Growth Analysis - Total NPS							
SBI	3764.1	6021.8	11858.1	2257.7	60.0%	5836.3	96.9%
<i>% Share of SBI in Total NPS</i>	43.8%	39.7%	39.5%	34.3%		39.3%	
UTI	2918.9	5116.2	9523.4	2197.3	75.3%	4407.2	86.1%
<i>% Share of UTI in Total NPS</i>	34.0%	33.7%	31.7%	33.4%		29.7%	
LIC	1879.3	3967.3	8505.3	2088.0	111.1%	4538.0	114.4%
<i>% Share of LIC in Total NPS</i>	21.9%	26.2%	28.3%	31.7%		30.6%	
IDFC	2.7	7.9	0.0	5.2	191.1%	-7.9	-100.0%
<i>% Share of IDFC in Total NPS</i>	0.0%	0.1%	0.0%	0.1%		-0.1%	
Kotak	3.3	9.7	27.7	6.4	195.0%	18.0	184.6%
<i>% Share of Kotak in Total NPS</i>	0.0%	0.1%	0.1%	0.1%		0.1%	
Reliance	5.6	11.2	22.5	5.5	98.5%	11.4	101.9%
<i>% Share of Reliance in Total NPS</i>	0.1%	0.1%	0.1%	0.1%		0.1%	
ICICI	10.8	29.2	72.2	18.4	171.0%	43.0	147.4%
<i>% Share of ICICI in Total NPS</i>	0.1%	0.2%	0.2%	0.3%		0.3%	
Total NPS	8584.7	15163.3	30009.2	6578.5	76.6%	14846.0	97.9%
Growth Analysis - Sector - Government							
SBI	3,706.8	5,837.6	10,540.9	2,130.9	57.5%	4,703.3	80.6%
<i>% Share of SBI in Total Govt</i>	43.6%	39.4%	37.5%	33.7%		35.3%	
UTI	2,909.9	5,053.0	9,316.2	2,143.1	73.6%	4,263.2	84.4%
<i>% Share of UTI in Total Govt</i>	34.3%	34.1%	33.1%	33.9%		32.0%	
LIC	1,878.3	3,920.5	8,279.3	2,042.3	108.7%	4,358.8	111.2%
<i>% Share of LIC in Total Govt</i>	22.1%	26.5%	29.4%	32.3%		32.7%	
Total Govt	8,494.9	14,811.1	28,136.4	6,316.2	74.4%	13,325.3	90.0%
<i>% Share of Total Govt in Total NPS</i>	99.0%	97.7%	93.8%	96.0%		89.8%	
Growth Analysis -Private Sector							
SBI	57.3	184.2	1317.2	126.9	221.3%	1133.0	615.2%
<i>% Share of SBI in Total Private</i>	63.8%	52.3%	70.3%	48.4%		74.5%	
UTI	9.0	63.2	207.2	54.2	600.2%	143.9	227.6%
<i>% Share of UTI in Total Private</i>	10.1%	18.0%	11.1%	20.7%		9.5%	
LIC	1.1	46.7	226.0	45.7	4224.6%	179.2	383.5%
<i>% Share of LIC in Total Private</i>	1.2%	13.3%	12.1%	17.4%		11.8%	
IDFC	2.7	7.9	0.0	5.2	191.1%	-7.9	-100.0%
<i>% Share of IDFC in Total Private</i>	3.0%	2.2%	0.0%	2.0%		-0.5%	
Kotak	3.3	9.7	27.7	6.4	195.0%	18.0	184.6%
<i>% Share of Kotak in Total Private</i>	3.7%	2.8%	1.5%	2.5%		1.2%	
Reliance	5.6	11.2	22.5	5.5	98.5%	11.4	101.9%
<i>% Share of inReliance Total Private</i>	6.3%	3.2%	1.2%	2.1%		0.7%	
ICICI	10.8	29.2	72.2	18.4	171.0%	43.0	147.4%
<i>% Share of ICICI in Total Private</i>	12.0%	8.3%	3.9%	7.0%		2.8%	
Total Private	89.8	352.1	1872.8	262.3	292.0%	1520.7	431.9%
<i>% Share of Total Private in Total NPS</i>	1.0%	2.3%	6.2%	4.0%		10.2%	
Total NPS	8584.7	15163.3	30009.2	6578.5	76.6%	14846.0	97.9%

Table IV shows the growth in number of accounts Subscriber class wise. During the year ended Mar'13, there was a 51.8% overall growth in number of subscribers. The bulk of growth is accounted for by NPS Lite and Govt sector but the NPS (Corporate) Scheme has taken off in a major way, if the growth in number of account is an indicator- a total of 1.26 Lakhs accounts were added, giving a growth of 738.06% and a share of 7.7% in total growth of number during the year. The growth in accounts under NPS (Main) is sluggish at 24.22, signifying challenges in acquisition of retail accounts, which require very intensive marketing efforts.

TABLE IV : Number of Accounts Break up in NPS - Growth - Subscriber Class Wise Position as on 31st March 2013 (No. in Lacs)							
Subscriber Class	Actuals - Number of Accounts as on 31st March 2013			Growth in Number of Accounts			
	Mar-11	Mar-12	Mar-13	Annual		During the Current Financial Year	
				YoY March 12		Over March 12	
				Number	%	Number	%
NPS Main	0.35	0.65	0.80	0.30	86.80%	0.16	24.22%
% Share of NPS Main in Total	1.9%	2.1%	1.7%	2.3%		1.0%	
NPS Corporate	0.04	0.17	1.43	0.13	306.59%	1.26	738.06%
% Share of NPS Corporate in Total	0.2%	0.5%	3.0%	1.0%		7.7%	
NPS Lite	4.87	9.69	17.80	4.82	99.04%	8.11	83.74%
% Share of NPS Lite in Total	26.2%	30.8%	37.3%	37.5%		49.8%	
Sub Total (Pvt)	5.25	10.50	20.03	5.25	99.89%	9.53	90.72%
% Share of Pvt Sector in Total	28.3%	33.4%	42.0%	40.9%		58.5%	
Central Govt	7.50	9.35	11.27	1.85	24.63%	1.92	20.53%
% Share of Central Govt. in Total	40.4%	29.8%	23.6%	14.4%		11.8%	
State Govt	5.82	11.56	16.41	5.75	98.81%	4.84	41.88%
% Share of State Govt. in Total	31.3%	36.8%	34.4%	44.7%		29.7%	
Sub Total	13.32	20.91	27.67	7.59	57.03%	6.76	32.33%
% Share of Govt. in Total	71.7%	66.6%	58.0%	59.1%		41.5%	
Grand Total	18.57	31.41	47.71	12.84	69.16%	16.29	51.86%

NPS: One of the Lowest Cost Product in World

The current fee structure of NPS makes it one of the lowest cost pension product in the world. An important measure of cost of a Pension scheme is 'Charge ratio'; normally calculated over a 40 year period. Charge Ratio is :-

$$\frac{\text{Cnf} - \text{Cwf}}{\text{Cnf}}$$

Cnf

Where

Cnf : Corpus at the end of period without any fee

Cwf: Corpus at the end of period with fee.

As per a recent study done by OECD, NPS Scheme is the second lowest cost product in the world with a charge ratio of 6.54% over a forty year period calculations. The charge ratio for some other international jurisdictions go higher than 50%.

Employees' Provident Fund Organization (EPFO)

The Employees' Provident Fund Organization (EPFO) was set up in 1952. Employee Provident Fund (EPF) is applicable to the organised sector and companies / organisations in respect of all employees drawing wages up to Rs 6,500 per month. It offers a provident fund and a pension scheme. EPF requires equal contributions by both the employer and the employee. All the functions/ processes of EPF and Employee Pension Scheme (EPS) are handled by the EPFO, except fund management. Some establishments, which are under the purview of EPFO, are allowed to manage their own funds. EPFO treats them as exempted funds. These exempted funds are, however, required to follow the same investment pattern as that followed by EPFO and are required to match the returns of the EPFO.

About 6.91 lakh establishments are covered under EPFO; there are 855 lakh member accounts as on March 31, 2012 up from 6.60 lakh establishments and 616 lakh member accounts as on March 31, 2011 – a growth of 4.64 per cent in the number of establishments and a whopping growth of 38.88 per cent in the number of member accounts.

For 2011-12, EPFO's investment corpus increased to Rs 5.46 trillion from Rs 4.66 trillion a year ago, a year on year growth of 17.09 per cent. EPF subscribers' accounts will be credited with interest at the rate of 8.5 per cent for 2012-13. This is 0.25 per cent higher than EPF interest rate of 8.25 per cent in 2011-12. The EPFO has also decided that a permanent PF account number shall be issued to all PF members so that they do not need to seek a new number whenever they change a job and/or location.

During the year, EPFO has taken several measures towards the improvement of the fund performance. EPFO decided to adopt the 2008 (Ministry of Finance) pattern for investments by retirement funds. EPFO has also expanded the investment universe for investments in corporate bonds

Performance of Pension Fund Managers

Government Sector

Based on the individual performance of Fund Managers for FY 2012-13, the incremental contributions of Government employees were allocated among SBI Pension Fund Private Limited, UTI Retirement Solutions Limited and LIC Pension Fund Limited in the proportion of 34:33:33 for Central Government employees and 33:34:33 for State Government employees respectively, for the year 2013-14.

Performance: Funds of Central Government Employees Scheme CG (as on March 31, 2013)

SCHEME CG								
PFM	Financial Year Return (%)				Trailing Return (%)			
	FY 2009-10	FY2010-11	FY 2011-12	FY 2012-13	1-Yr	2-Yr	3-Yr	Since Inception
LIC	12.27	8.3	5.8	12.06	12.06	8.91	5.85	9.67
SBI	8.88	8.05	5.81	12.75	12.75	9.23	6.06	10.5
UTI	9.27	8.45	5.52	12.26	12.26	8.88	5.84	9.66

Returns above 1 year periods are annualised

Funds of State Government Employees Performance: Scheme SG (as on March 31, 2013)

SCHEME SG							
PFM	Financial Year Return (%)			Trailing Return (%)			
	FY2010-11	FY 2011-12	FY 2012-13	1-Yr	2-Yr	3-Yr	Since Inception
LIC	10.77	6.68	12.75	12.75	9.69	10.05	9.62
SBI	9.88	6.8	13.01	13.01	9.87	9.88	9.56
UTI	11.34	6.04	13.22	13.22	9.61	10.18	9.7

Returns above 1 year periods are annualised

Funds of Private Sector

Performance: Scheme E – Tier I (as on March 31, 2013)

SCHEME E - TIER I							
PFM	Financial Year Return (%)			Trailing Return (%)			
	FY2010-11	FY 2011-12	FY 2012-13	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	11.83	-7.75	9.05	9.05	0.30	4.01	8.53
Kotak	11.89	-10.23	11.52	11.52	0.05	3.85	6.5
Reliance	10.77	-10.49	7.75	7.75	-0.72	2.63	7.14
SBI	8.05	-7.18	8.24	8.24	0.31	2.83	4.17
UTI	8.35	-10.58	7.42	7.42	-1.15	1.92	7.62
IDFC	8.89	-9.32	-	-	-	-	-
S&P BSE SENSEX	10.94	-10.5	8.23	8.23	-1.58	2.43	13.68
CNX Nifty	11.14	-9.23	7.31	7.31	-1.30	2.68	13.39

Returns above 1 year periods are annualised

Performance: Scheme E – Tier II (as on March 31, 2013)

SCHEME E - TIER II							
PFM	Financial Year Return (%)			Trailing Return (%)			
	FY2010-11	FY 2011-12	FY 2012-13	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	10.12	-10.41	9.79	9.79	-0.82	2.70	2.55
Kotak	11.66	-9.8	11.33	11.33	0.21	3.89	3.93
Reliance	5.37	-10.37	7.79	7.79	-0.64	2.64	3.33
SBI	7.86	-7.51	8.26	8.26	0.12	2.64	2.46
UTI	10.16	-10.74	7.63	7.63	-0.95	2.62	2.47
IDFC	7.05	-9.46	-	-	-	-	-
S&P BSE SENSEX	10.94	-10.5	8.23	8.23	-1.58	2.43	2.93
CNX Nifty	11.14	-9.23	7.31	7.31	-1.30	2.68	3.22

Returns above 1 year periods are annualised

Performance: Scheme C – Tier I (as on March 31, 2013)

SCHEME C - TIER I							
PFM	Financial Year Return (%)			Trailing Return (%)			
	FY2010-11	FY 2011-12	FY 2012-13	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	9.41	11.43	14.22	14.22	12.82	11.67	11.51
Kotak	10.86	10.19	15.01	15.01	12.59	12.01	11.76
Reliance	8.12	8.13	13.89	13.89	10.99	9.92	8.74
SBI	12.66	11.07	14.27	14.27	12.67	12.67	12.25
UTI	9.20	10.19	13.41	13.41	11.80	10.93	9.36
IDFC	6.26	9.15	-	-	-	-	-

Returns above 1 year periods are annualised

Performance: Scheme C – Tier II (as on March 31, 2013)

SCHEME C - TIER II							
PFM	Financial Year Return (%)			Trailing Return (%)			
	FY2010-11	FY 2011-12	FY 2012-13	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	10.74	12.27	13.60	13.60	12.93	12.20	11.52
Kotak	7.20	9.70	13.15	13.15	11.42	10.00	9.33
Reliance	7.28	7.86	12.00	12.00	9.93	9.00	8.50
SBI	14.46	10.73	12.69	12.69	11.72	12.62	12.17
UTI	7.62	11.40	12.95	12.95	12.19	10.64	9.92
IDFC	6.02	10.02	-	-	-	-	-

Returns above 1 year periods are annualised

Performance: Scheme G – Tier I (as on March 31, 2013)

SCHEME G - TIER I							
PFM	Financial Year Return (%)			Trailing Return (%)			
	FY2010-11	FY 2011-12	FY 2012-13	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	7.71	6.07	13.84	13.84	9.89	9.15	8.15
Kotak	9.14	6.14	13.61	13.61	9.83	9.6	8.21
Reliance	7.65	5.63	13.74	13.74	9.62	8.98	7.51
SBI	12.25	5.46	13.48	13.48	9.41	10.35	10.49
UTI	12.52	3.75	13.57	13.57	8.56	9.87	7.97
IDFC	6.97	5.9	-	-	-	-	-

Returns above 1 year periods are annualised

Performance: Scheme G – Tier II (as on March 31, 2013)

SCHEME G - TIER II							
PFM	Financial Year Return (%)			Trailing Return (%)			
	FY2010-11	FY 2011-12	FY 2012-13	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	6.43	6.36	14.36	14.36	10.29	8.99	8.50
Kotak	6.40	5.37	12.86	12.86	9.06	8.17	7.63
Reliance	4.68	5.76	13.68	13.68	9.66	8.32	7.98
SBI	11.82	5.31	13.47	13.47	9.33	10.15	11.04
UTI	16.44	3.81	13.52	13.52	8.57	11.13	10.33
IDFC	6.00	7.22	-	-	-	-	-

Returns above 1 year periods are annualised

Performance: Scheme NPS Lite(as on March 31, 2013)

Scheme NPS Lite					
PFM	Financial Year Return (%)		Trailing Return (%)		
	FY 2011-12	FY 2012-13	1-Yr	2-Yr	Since Inception
Kotak	-	14.58	14.58	-	12.95*
LIC	10.10	13.02	13.02	11.56	11.05
SBI	8.70	13.83	13.83	11.25	12.15
UTI	8.55	13.18	13.18	10.86	11.65

Returns above 1 year periods are annualised
* For Kotak Pension Fund inception date is Jan 31, 2012.

Performance: Scheme Corporate – CG (as on March 31, 2013)

Scheme Corporate CG			
PFM	Financial Year Return (%)		Trailing Return (%)
	FY 2011-12	FY 2012-13	3 Month
LIC	-	-	1.37
SBI	-	-	2.15
UTI	-	-	0.98

Returns above 1 year periods are annualised

Performance of PFMs vis-à-vis Mutual Fund Industry

(Note: All Returns in %)

Performance: Scheme CG Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme CG	1 Year	2 Year	3 Years
LIC PF	12.06	8.91	8.71
SBI PF	12.75	9.23	8.84
UTI PF	12.26	8.88	8.74
Total			
Mutual Fund MIP Funds (Peer Group Average)	8.47	7.24	7.20

Returns for period greater than one year are compounded annualised returns

For the scheme CG, all the PFMs outperformed the average returns delivered by the MIP mutual funds.

Performance: Scheme SG Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme SG	1 Year	2 Year	3 Years
LIC PF	12.75	9.69	10.05
SBI PF	13.01	9.87	9.88
UTI PF	13.22	9.61	10.18
Total			
Mutual Fund MIP Funds (Peer Group Average)	8.47	7.24	7.20

Returns for period greater than one year are compounded annualised returns

For the scheme SG, all the PFMs outperformed the average returns delivered by the MIP mutual funds.

Performance: Scheme NPS Lite Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme NPS Lite	1 Year	2 Year	3 Years
ICICI Prudential PF	-	-	-
Kotak PF	14.58	-	-
LIC PF	13.02	11.56	-
Reliance PF	-	-	-
SBI PF	13.83	11.25	-
UTI PF	13.18	10.86	-
Mutual Fund MIP Funds (Peer Group Average)	8.47	7.24	7.20

Returns for period greater than one year are compounded annualised returns
* For Kotak Pension Fund inception date is Jan 31, 2012.

For the scheme NPS Lite, all the PFMs outperformed the average returns delivered by the MIP mutual funds across periods.

Performance: Scheme Corporate CG Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme Corporate CG	3 Months (%)	1 Year (%)	2 Year (%)
LIC PF	1.37	-	-
SBI PF	2.15	-	-
UTI PF	0.98	-	-
Mutual Fund MIP Funds (Peer Group Average)	-1.18	8.47	7.24

Returns for period greater than one year are compounded annualised returns

For the scheme Corporate CG, all the PFMs outperformed the average returns delivered by the MIP mutual funds for the 3 months period. Scheme Corporate – CG has been managed by the PFMs since 5th November, 2012.

Performance: Scheme E – Tier I Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme E – Tier I	1 Year (%)	2 Year (%)	3 Years^ (%)
ICICI PF	9.05	0.30	4.01
Kotak PF	11.52	0.05	3.85
Reliance PF	7.75	-0.72	2.63
SBI PF	8.24	0.31	2.83
UTI PF	7.42	-1.15	1.92
Mutual Fund Diversified Equity Funds (Peer Group Average)	4.66	-0.63	2.79
Mutual Fund Large Cap Equity Funds (Peer Group Average)	6.23	0.36	4.10

Returns for period greater than one year are compounded annualised returns

For the scheme E – Tier I, all the PFMs outperformed the average returns delivered by the Diversified & Large Cap mutual funds in the 1-year period; however most of the PFMs lagged behind the average return delivered by the Diversified & Large Cap mutual funds in the other period of analysis.

Performance: Scheme E – Tier II Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme E – Tier II	1 Year (%)	2 Year (%)	3 Years (%)
ICICI Prudential PF	9.79	-0.82	2.70
Kotak PF	11.33	0.21	3.89
Reliance PF	7.79	-0.64	2.64
SBI PF	8.26	0.12	2.64
UTI PF	7.63	-0.95	2.62
Mutual Fund Diversified Equity Funds (Peer Group Average)	4.66	-0.63	2.79
Mutual Fund Large Cap Equity Funds (Peer Group Average)	6.23	0.36	4.10

Returns for period greater than one year are compounded annualised returns

For the scheme E – Tier II, all the PFMs outperformed the average returns delivered by the Diversified & Large Cap mutual funds in the 1-year period; however most of the PFMs lagged behind the average return delivered by the Diversified & Large Cap mutual funds in the other period of analysis.

Performance: Scheme C – Tier I Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme C – Tier I	1 Year (%)	2 Year (%)	3 Years (%)
ICICI Prudential PF	14.22	12.82	11.67
Kotak PF	15.01	12.59	12.01
Reliance PF	13.89	10.99	9.92
SBI PF	14.27	12.67	12.67
UTI PF	13.41	11.80	10.93
Mutual Fund Income Funds (Peer Group Average)	11.02	9.74	8.23

Returns for period greater than one year are compounded annualised returns

For the scheme C – Tier I, all the PFMs outperformed the average returns delivered by the income funds across periods.

Performance: Scheme C – Tier II Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme C – Tier II	1 Year (%)	2 Year (%)	3 Years (%)
ICICI Prudential PF	13.60	12.93	12.20
Kotak PF	13.15	11.42	10.00
Reliance PF	12.00	9.93	9.00
SBI PF	12.69	11.72	12.62
UTI PF	12.95	12.19	10.64
Mutual Fund Income Funds (Peer Group Average)	11.02	9.74	8.23

Returns for period greater than one year are compounded annualised returns

For the scheme C – Tier II, all the PFMs outperformed the average returns delivered by the income funds across periods.

Performance: Scheme G – Tier I Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme G – Tier I	1 Year (%)	2 Year (%)	3 Years (%)
ICICI Prudential PF	13.84	9.89	9.15
Kotak PF	13.61	9.83	9.60
Reliance PF	13.74	9.62	8.98
SBI PF	13.48	9.41	10.35
UTI PF	13.57	8.56	9.87
Mutual Fund Gilt Funds (Peer Group Average)	10.88	8.20	6.97

Returns for period greater than one year are compounded annualised returns

For the scheme G – Tier I, all the PFMs outperformed the average returns delivered by the gilt funds across periods.

Performance: Scheme G – Tier II Vs. Mutual Fund Industry (as on March 31, 2013)

Scheme G – Tier II	1 Year (%)	2 Year (%)	3 Years (%)
ICICI Prudential PF	14.36	10.29	8.99
Kotak PF	12.86	9.06	8.17
Reliance PF	13.68	9.66	8.32
SBI PF	13.47	9.33	10.15
UTI PF	13.52	8.57	11.13
Mutual Fund Gilt Funds (Peer Group Average)	10.88	8.20	6.97

Returns for period greater than one year are compounded annualised returns

For the scheme G – Tier II, all the PFMs outperformed the average returns delivered by the gilt funds across periods.

The comparison shown in this section brings out the over-all superior performance of the various schemes of National Pension System (NPS). The performance of the Pension Fund Managers is reviewed at quarterly intervals by the Board of Trustees of NPS Trust. CRISIL Ltd., as the Business Review Consultants to the NPS Trust assist the Board of Trustees in the process and make a detailed presentation on the performance of various schemes under the National Pension System.

Acknowledgements

The Board of Trustees will like to thank the Chairman PFRDA for providing constant guidance, encouragement and support to the NPS Trust in ensuring its smooth function and efficient discharge of its responsibilities. We would also like to place on record our appreciation for all the other staff of PFRDA, who have provided constant support and assistance to the NPS Trust. The Board of Trustees will like to make a special mention of the tireless and efficient work done by the team of the staff in the NPS Trust Secretariat and place on record our appreciation for the entire team of staff of the NPS Trust.

SD/-

G. N. Bajpai

Chairman of the Board of Trustees

Date:4th July 2013

New Delhi

ANNEXURE

Auditors Report and Audited Accounts of NPS Trust for the year ended March 31, 2013

INDEPENDENT AUDITORS' REPORT

THE TRUSTEES OF NATIONAL PENSION SCHEME (NPS) TRUST

Report on the Financial Statements

We have audited the accompanying financial statements of M/s National Pension Scheme (NPS) Trust which comprises the Balance Sheet as at 31st March, 2013 and the Income and Expenditure account and Receipt and Payment account for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Trust in accordance with the Generally Accepted Accounting Principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

In our opinion, and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the state of affairs of the Trust as at 31st March, 2013 and
- (ii) In the case of the Income and Expenditure Account, of the excess of income over expenditure for the year ended on that date.
- (iii) In the case of the Receipts and Payments Account, of the total receipts and payments for the year ended on that date.

For Ghosh Khanna & Co.
Chartered Accountants
Firm Registration No. 003366N

Rohit Kohli
Partner
M No 87722

Place: New Delhi
Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS)TRUST			
BALANCE SHEET AS AT 31.03.2013			
Particulars	Note	(Amount in Rs.)	
		As at March 31, 2013	As at March 31, 2012
<u>CORPUS / CAPITAL FUND AND LIABILITIES</u>			
Corpus / Capital Fund	2.1	808,927	122,928
Current Liabilities and Provisions	2.2	254,192	156,798
Total		1,063,119	279,726
<u>ASSETS</u>			
Fixed Assets	2.3	170,148	135,581
Current Assets, Loans and Advances	2.4	892,971	144,145
Total		1,063,119	279,726
Significant accounting policies and notes on accounts 1&2			
<i>Note: The notes referred to above are an integral part of the balance sheet.</i>			
As per our Report of even Date Attached			
For Ghosh Khanna & Company Chartered Accountants Firm Registration Number: 003366N		For and on Behalf of National Pension System(NPS) Trust	
Rohit Kohli Partner Membership Number: 87722	G. N. Bajpai Chairman	Nagendra Bhatnagar CEO and Trustee	
Place: New Delhi Date: 4th July 2013	Place: New Delhi Date: 4th July 2013	Place: New Delhi Date: 4th July 2013	

NATIONAL PENSION SYSTEM (NPS)TRUST			
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2013			
Particulars	Note	(Amount in Rs.)	
		As at March 31, 2013	As at March 31, 2012
<u>INCOME</u>			
Grants / Subsidies	2.5	9,000,000	7,000,000
Interest Earned	2.6	35,891	42,055
Other Income	2.7	75,000	
Total (A)		9,110,891	7,042,055
<u>EXPENDITURE</u>			
Establishment Expenses	2.8	3,157,613	2,315,764
Other Administrative Expenses	2.9	5,001,449	3,933,030
Bank Charges	2.10	336	1,898
Depreciation	2.3	96,655	171,531
Total (B)		8,256,053	6,422,223
Balance being surplus (deficit) before exceptional and extra-ordinary items (A-B)		854,838	619,833
<u>EXCEPTIONAL AND EXTRA-ORDINARY ITEMS</u>			
Prior Period Expenses	2.11	168,839	-
Balance being surplus (deficit) carried to corpus / capital fund		685,999	619,833
Significant accounting policies and notes on accounts 1&2			
<i>Note: The notes referred to above are an integral part of the Income and Expenditure Account.</i>			
As per our Report of even Date Attached			
For Ghosh Khanna & Company Chartered Accountants Firm Registration Number: 003366N		For and on Behalf of National Pension System(NPS) Trust	
Rohit Kohli Partner Membership Number: 87722		G. N. Bajpai Chairman	Nagendra Bhatnagar CEO and Trustee
Place: New Delhi Date: 4th July 2013		Place: New Delhi Date: 4th July 2013	Place: New Delhi Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS)TRUST					
RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31-03-2013					
	(Amount in Rs.)			(Amount in Rs.)	
RECEIPTS	As at March 31, 2013	As at March 31, 2012	PAYMENTS	As at March 31, 2013	As at March 31, 2012
<u>I. Opening Balances</u>			<u>I. Expenses</u>		
a) Cash in hand	10,000	10,000	a) Establishment Expenses	3,071,692	2,348,148
b) Bank Balance - Saving account	134,145	226,867	b) Administrative Expenses	5,169,111	4,555,570
<u>II. Grants Received</u>			<u>IV. Expenditure on Fixed Assets</u>		
a) Grant Received from PFRDA	9,000,000	7,000,000	a) Purchase of Fixed Assets	131,222	229,161
<u>III. Other Income Received</u>			<u>VI. Finance Charges (Interest)</u>		
a) Tender Fee	75,000	-	Other Bank charges	336	1,898
<u>IV. Interest Received</u>			<u>VII. Closing Balances</u>		
a) On Bank deposits	35,891	42,055	a) Cash in hand	10,000	10,000
			b) Bank Balances		
			i) In current accounts		
			ii) In deposit accounts		
			iii) Saving accounts	872,675	134,145
Total	9,255,036	7,278,922	Total	9,255,036	7,278,922
Significant accounting policies and notes on accounts 1&2					
Note: The notes referred to above are an integral part of the Receipts and Payments Account.					
As per our Report of even Date Attached					
For Ghosh Khanna & Company Chartered Accountants Firm Registration Number: 003366N			For and on Behalf of National Pension System(NPS) Trust		
Rohit Kohli Partner Membership Number: 87722			G. N. Bajpai Chairman		Nagendra Bhatnagar CEO and Trustee
Place: New Delhi Date: 4th July 2013			Place: New Delhi Date: 4th July 2013		Place: New Delhi Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS) TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Background:

The National Pension System Trust (NPS Trust) was established by Pension Fund Regulatory and Development Authority (PFRDA) on 27th February, 2008 with the execution of the NPS Trust Deed. The NPS Trust has been set up and constituted for taking care of the assets and funds under the National Pension System (NPS) in the interest of the beneficiaries (subscribers). The NPS fund are managed by the Board of Trustees to realize and fulfill the objectives of the NPS Trust in the exclusive interest of the Subscribers.

In fulfillment of its objectives, as broadly mentioned in the Deed, the NPS Trust supervises the Pension Fund Managers (PFM'S) and interacts with other intermediaries like Trustee Bank (Bank of India), Central Record Agency (NSDL), Stock Holding Corporation of India Ltd, etc. The Trust is empowered to enter into agreements with other intermediaries and operating agencies to discharge its obligations.

1. Significant Accounting Policies

1.1 Basis of preparation of financial statements

These financial statements are prepared under the historical cost convention, and compliance in accordance with Generally Accepted Accounting Principles (GAAP) in India on accrual basis. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy heitherto in use.

1.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported amount of assets and liabilities and disclosure relating to contingent assets and liabilities as of the date of the financial statements. Accounting estimate could change from period to period and actual results could differ from those estimates.

1.3 Tangible fixed assets and depreciation

Fixed Assets are stated at historical cost after reducing accumulated depreciation and impairment if any up to the date of balance sheet. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation. Depreciation on all assets has been charged on pro-rata basis as per written down value method at the rates and in the manner prescribed under Income Tax Act, 1961.

1.4 Government grants / subsidies

The expenses of NPS Trust is borne by government drants received during the year. Grant/Susdies are accounted for on realisation basis

1.5 Other revenue recognition

Interest on saving accounts and other incomes are accounted for on accrual basis.

As per our Report of even Date Attached

For Ghosh Khanna & Company

For and on Behalf of National Pension System(NPS) Trust

Chartered Accountants

Firm Registration Number: 003366N

Rohit Kohli

Partner

Membership Number: 87722

Place: New Delhi

Date: 4th July 2013

G. N. Bajpai

Chairman

Place: New Delhi

Date: 4th July 2013

Nagendra Bhatnagar

CEO and Trustee

Place: New Delhi

Date: 4th July 2013

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013 (Continued)

1.6 Employee benefits

Since the number of employees is less than the statutory limit required under the provision of Provident Fund and Miscellaneous Provision Act the trust has not yet registered itself under the Authorities and hence there is no provident fund contribution.

1.7 Foreign Currency Transactions

The trust accounts for effects of differences in foreign exchange rates in accordance with Accounting Standard-11, issued by the Institute of Chartered Accountants of India.

Initial recognition

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate.

Exchange Difference

Exchange differences arising on the settlement of monetary items or on reporting trust's monetary items at rates different for those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which arise.

1.8 Provisions and Contingencies

Provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that on outflow of resources will be required to settle the obligation; in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

1.9 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank accounts.

1.10 Change in accounting policy

There is no change in the accounting policy as those adopted in previous year.

As per our Report of even Date Attached

For Ghosh Khanna & Company
Chartered Accountants
Firm Registration Number: 003366N

For and on Behalf of National Pension System(NPS) Trust

Rohit Kohli
Partner
Membership Number: 87722

G. N. Bajpai
Chairman

Nagendra Bhatnagar
CEO and Trustee

Place: New Delhi

Place: New Delhi

Place: New Delhi

Date: 4th July 2013

Date: 4th July 2013

Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS)TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2. Notes to Accounts

2.1 : Corpus / Capital fund

(Amount inRs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Balance as at the beginning of the year	122,928	(496,905)
Add : Contributions towards Corpus / Capital fund		
Add / (Deduct) : Balance of net income / (expenditure)	685,999	619,833
Balance as at the end of the year	808,927	122,928

*Negative balance of Corpus fund at the beginning of the previous year was due to provision of audit fees paid for performance audit, as per accounts are being maintained on accrual basis.

2.2 : Current liabilities and provisions

(Amount inRs.)

Particulars	As at March 31, 2013	As at March 31, 2012
A. Current liabilities		
Sundry creditors :		
- Creditors for administrative expenses	56,431	153,031
Statutory liabilities :		
- TDS payable	1,082	1,519
Other liabilities :		
- Expenses payable	196,679	2,248
Total (A)	254,192	156,798
B. Provisions		
	-	-
Total (B)	-	-
Total (A + B)	254,192	156,798

As per our Report of even Date Attached

For **Ghosh Khanna & Company**
Chartered Accountants
Firm Registration Number: 003366N

For and on Behalf of National Pension System(NPS) Trust

Rohit Kohli
Partner
Membership Number: 87722

G. N. Bajpai
Chairman

Nagendra Bhatnagar
CEO and Trustee

Place: New Delhi
Date: 4th July 2013

Place: New Delhi
Date: 4th July 2013

Place: New Delhi
Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS)TRUST		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013		
2.2a : Creditors for administrative expenses		
(Amount in Rs.)		
Particulars	As at March 31, 2013	As at March 31, 2012
A. G. International	8,935	-
Air travel bureau	-	31,874
Ankush maintenance	2,100	-
Deepak tourist car	36,093	33,928
GA digital web world	-	36,404
Jimmy traders	-	42,897
RMA & associates	5,618	5,515
Telephone & mobile expenses payable	3,685	2,413
Total	56,431	153,031
2.2b : TDS Payable		
(Amount in Rs.)		
Particulars	As at March 31, 2013	As at March 31, 2012
TDS contractor payable	1,082	1,519
Total	1,082	1,519
2.2c : Expenses payable		
(Amount in Rs.)		
Particulars	As at March 31, 2013	As at March 31, 2012
Expenses payable	7,827	459
Account maintenance charges	5,618	-
Audit fee payable	13,483	-
Medical Re-imbusement payable	-	1,554
Stale cheque	-	235
Travelling expenses - domestic	18,018	-
Books & periodicals - payable	588	-
Manpower charges payable	71,020	-
Re-allocation allowance payable	80,125	-
Total	196,679	2,248
As per our Report of even Date Attached		
For Ghosh Khanna & Company	For and on Behalf of National Pension System(NPS) Trust	
<i>Chartered Accountants</i>		
Firm Registration Number: 003366N		
Rohit Kohli	G. N. Bajpai	Nagendra Bhatnagar
<i>Partner</i>	<i>Chairman</i>	<i>CEO and Trustee</i>
Membership Number: 87722		
Place: New Delhi	Place: New Delhi	Place: New Delhi
Date: 4th July 2013	Date: 4th July 2013	Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS) TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.3 : Fixed Assets

(Amount in Rs.)

Description	Rate of Dep	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost/Valuation As at beginning of the year	Additions during the year	Deductions during the year	Cost/Valuation As at the year-end	As at beginning of the Year	For the Year	On Deductions during the year	Total upto year end	As at the Current Year	As at the previous year
Fixed Assets:											
1. Furnitures and fixtures	10%	29,210	-	-	29,210	6,285	2,293	-	8,578	20,632	22,925
2. Office equipment	15%	-	96,422	-	96,422	-	8,469	-	8,469	87,953	-
3. Computer / Peripherals	60%	633,274	34,800	-	668,074	520,618	85,893	-	606,511	61,563	112,656
Total of current year		662,484	131,222	-	793,706	526,903	96,655	-	623,558	170,148	135,581
Previous year		433,323	229,161	-	662,484	355,372	171,531	-	526,903	135,581	77,951

As per our Report of even Date Attached

For **Ghosh Khanna & Company**
Chartered Accountants
Firm Registration Number: 003366N

For and on Behalf of National Pension System(NPS) Trust

Rohit Kohli
Partner
Membership Number: 87722

G. N. Bajpai
Chairman

Nagendra Bhatnagar
CEO and Trustee

Place: New Delhi
Date: 4th July 2013

Place: New Delhi
Date: 4th July 2013

Place: New Delhi
Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS)TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.4 : Current assets, loan and advances

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
A. <u>Current assets</u> :		
Cash balances in hand (including cheques/drafts and imprest)	10,000	10,000
Bank Balances :		
- With Scheduled Banks : saving account	872,675	134,145
Total (A)	882,675	144,145
B. <u>Loans, advances and other assets</u>		
Advances and other amounts recoverable in cash or in kind or for value to be received:		
- Prepayments	10,296	-
Total (B)	10,296	-
Total (A + B)	892,971	144,145

In the opinion of the management, the current assets, loans and advances have a value on realization in the ordinary course of business, equal at least to the amount shown in the balance sheet.

2.5 : Grants / Subsidies

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
(Irrevocable Grants & Subsidies Received)		
Grant Received From PFRDA	9,000,000	7,000,000
Total	9,000,000	7,000,000

As per our Report of even Date Attached

For **Ghosh Khanna & Company**
Chartered Accountants
Firm Registration Number: 003366N

For and on Behalf of National Pension System(NPS) Trust

Rohit Kohli
Partner
Membership Number: 87722

G. N. Bajpai
Chairman

Nagendra Bhatnagar
CEO and Trustee

Place: New Delhi
Date: 4th July 2013

Place: New Delhi
Date: 4th July 2013

Place: New Delhi
Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS)TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.6 : Interest earned

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Interest on Saving Bank Account:		
- With Scheduled Bank	35,891	42,055
Total	35,891	42,055

2.7 : Other income

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Other income	75,000	
Total	75,000	-

2.8 : Establishment expenses

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Salaries and wages	2,666,595	2,294,036
Medical reimbursement	41,500	7,728
Local conveyance allowance	2,806	14,000
Leave salary	249,837	-
Other allowances and re-imbursements	196,875	-
Total	3,157,613	2,315,764

As per our Report of even Date Attached

For **Ghosh Khanna & Company**

Chartered Accountants

Firm Registration Number: 003366N

For and on Behalf of National Pension System(NPS) Trust

Rohit Kohli

Partner

Membership Number: 87722

G. N. Bajpai

Chairman

Nagendra Bhatnagar

CEO and Trustee

Place: New Delhi

Date: 4th July 2013

Place: New Delhi

Date: 4th July 2013

Place: New Delhi

Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS)TRUST		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013		
2.9 : Other administrative expenses		
(Amount in Rs.)		
Particulars	As at March 31, 2013	As at March 31, 2012
Sitting fee	64,412	64,000
Telephone & mobile expenses	60,574	46,225
Postage, telegram and courier charges	27,456	11,179
Printing and stationary	59,428	8,970
Travelling and conveyance expenses	1,301,756	1,200,645
Office expenses	10,650	27,465
Staff welfare expenses	486	12,651
Meeting & conference expenses	250,822	35,391
Books & periodicals	1,073	6,885
Vehicle hire charges/running & maintenance	638,262	528,008
Professional charges	1,175,516	705,761
Audit fees	13,483	-
Manpower hiring charges	632,959	456,645
Consultancy charges	605,712	767,150
Computer repair & maintenance	114,868	26,710
Legal fees	1,500	16,500
Seminar fees	-	18,845
Internet charges	10,660	-
Repair and maintenance	13,957	-
Reimbursement of petrol expenses	17,875	-
Total	5,001,449	3,933,030
As per our Report of even Date Attached		
For Ghosh Khanna & Company Chartered Accountants Firm Registration Number: 003366N	For and on Behalf of National Pension System(NPS) Trust	
Rohit Kohli Partner Membership Number: 87722	G. N. Bajpai Chairman	Nagendra Bhatnagar CEO and Trustee
Place: New Delhi Date: 4th July 2013	Place: New Delhi Date: 4th July 2013	Place: New Delhi Date: 4th July 2013

NATIONAL PENSION SYSTEM (NPS)TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.10 : Interest and finance charges

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Other bank charges	336	1,898
Total	336	1,898

2.11 : Prior period expenses

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Audit fees (FY 2011-12)	9,551	-
Consultancy charges	159,288	-
Total	168,839	-

2.12 : Taxation

As per the provisions of Section 10(44) of The Income Tax Act, 1961, The Income of the NPS Trust is exempted from Tax therefore provision for Tax has not been done

2.13 : Foreign currency transactions

(Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Travel	-	144,232
Total	-	144,232

2.14 : Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even Date Attached

For Ghosh Khanna & Company
Chartered Accountants
Firm Registration Number: 003366N

For and on Behalf of National Pension System(NPS) Trust

Rohit Kohli
Partner
Membership Number: 87722

G. N. Bajpai
Chairman

Nagendra Bhatnagar
CEO and Trustee

Place: New Delhi
Date: 4th July 2013

Place: New Delhi
Date: 4th July 2013

Place: New Delhi
Date: 4th July 2013