



नेशनल पेंशन सिस्टम ट्रस्ट (एन पी एस ट्रस्ट)

NATIONAL PENSION SYSTEM TRUST (NPS TRUST)

वित्तीय वर्ष 2016-17 की वार्षिक रिपोर्ट व खाते

Annual Report &

Audited Accounts for the Financial Year 2016-17

अनुक्रमिका / Contents	पेज संख्या / Page No.	कार्यालय/ Office
एन पी एस ट्रस्ट का बोर्ड / Board of NPS Trust	2	<p>एन पी एस ट्रस्ट, तीसरी मंजिल, छत्रपति शिवाजी भवन, बी -14 / ए, कुतुब इंस्टीट्यूशनल एरिया, नई दिल्ली- 110016</p> <p>NPS Trust, Third Floor, Chatrapati Shivaji Bhawan, B-14/A, Qutab Institutional Area, New Delhi - 110016</p>
एन पी एस ट्रस्ट के व्यवसाय समीक्षा सलाहकार/ Business Review Consultants to NPS Trust	6	
एन पी एस के इंटरमीडियरीज/ Intermediaries of NPS	7	
ट्रस्टी रिपोर्ट व एन पी एस का परिचय/ Trustees' Report & About NPS	11	
एन पी एस ट्रस्ट - नियुक्तियाँ व सेवानिवृत्ति, ऑडिट कमेटी की बैठके/ NPS Trust - Appointments & Retirements, Audit Committee Meetings	12	
एन पी एस ट्रस्ट बोर्ड की बैठको का विवरण/ Meetings of Board of NPS Trust	13	
एन पी एस ट्रस्ट के खाते व अनुबंध / Accounts of NPS Trust & Agreements Signed	14	<p>सांविधिक लेखा निरीक्षक / Statutory Auditors</p> <p>आरएमए एंड एसोसिएट्स एलएलपी, प्लॉट नं 75, एलजीएफ, पटपड़गंज इंडस्ट्रियल एरिया, दिल्ली 110092</p> <p>RMA & Associates LLP, Plot No. 75, LGF, Patparganj Industrial Area, Delhi 110092</p>
स्थानीय अर्थव्यवस्था/ Domestic Economy 2016-17	15	
वैश्विक अर्थव्यवस्था 2016-17/ Global Economy in 2016-17	16	
भारतीय डैब्ट मार्केट/ Indian Debt Market	18	
वैश्विक इक्विटि व डैब्ट मार्केट्स/ Global Equity & Debt Markets	20	
भारतीय म्यूचुअल फंड व बीमा मार्केट्स / Indian MF & Insurance Markets	22-23	
अंतर्राष्ट्रीय पेंशन मार्केट्स / International Pension Markets	24	
भारतीय पेंशन मार्केट्स/ Indian Pension Markets	24	
कर्मचारी भविष्य निधि संगठन/ EPFO	28	
एनपीएस की योजनाओं की निष्पादन/ Performance of NPS Schemes	29	
एनपीएस की योजनाओं की निष्पादन म्यूचुअल फंड की योजनाओं की तुलना मे/ Performance of NPS Schemes vis-à-vis MF Schemes	34	<p>बैंकर्स / Bankers</p> <p>इंडियन ओवर्सीस बैंक वसंत विहार शाखा एफ 75, पूर्वोमार्ग, वसंतविहार नई दिल्ली 110057</p> <p>Indian Overseas Bank F-75, Poorvi Marg, Vasant Vihar, New Delhi 110057</p>
आभार/ Acknowledgements	39	
अनुबंधक I- लेखा परीक्षक की रिपोर्ट व ऑडिटेड खाते/ Annexure I- Auditor's Report & Audited Accounts	40	
अनुबंधक II- समेकित एनपीएस योजना खाते/ Annexure II-Consolidated (Combined) NPS Scheme Financials	54	

नेशनल पेंशन सिस्टम ट्रस्ट (एन.पी.एस.ट्रस्ट) का ट्रस्टी बोर्ड (दिनांक 13 जुलाई 2017 को)
Board of Trustees of National Pension System Trust (NPS Trust) as on 13th July 2017



श्री शैलेश हरिभक्ति, अध्यक्ष व ट्रस्टी
Shri Shailesh Haribhakti, Chairman & Trustee



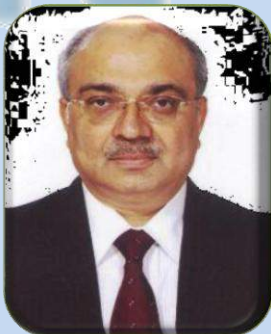
श्रीमती पल्लवी श्रोफ, ट्रस्टी
Smt. Pallavi Shroff,
Trustee



श्री प्रमोद कुमार रस्तोगी, ट्रस्टी
(दिनांक 7 अप्रैल 2017 तक)
Shri Pramod Kumar Rastogi,
Trustee
(Till 7th April 2017)



श्री एन डी गुप्ता, ट्रस्टी व अध्यक्ष,
ऑडिट कमेटी
Shri N D Gupta, Trustee &
Chairman, Audit Committee



श्री अश्विन पारिख, ट्रस्टी
Shri Ashvin Parekh, Trustee



श्री अतानु सेन, ट्रस्टी
Shri Atanu Sen, Trustee
(Appointed w.e.f 12th June 2017)



श्री कमल चौधरी, मुख्य कार्यकारी
अधिकारी
Shri Kamal Chaudhry, Chief
Executive Officer

नेशनल पेंशन सिस्टम ट्रस्ट (एन.पी.एस.ट्रस्ट) के ट्रस्टी बोर्ड (दिनांक 13 जुलाई 2017 को) का विवरण
Board of Trustees of National Pension System Trust (NPS Trust) as on 13th July 2017- Details

<p>श्री शैलेश हरिभक्ति (अध्यक्ष, हरिभक्ति एंड कंपनी एलएलपी. मुंबई) Shri Shaliesh Haribhakti (Chairman of Haribhakti & Co. LLP, Mumbai)</p>	<p>अध्यक्ष व ट्रस्टी (पी. एफ. आर. डी. ऐ. द्वारा दिनांक 12 नवम्बर 2012 को ट्रस्टी नियुक्त व दिनांक 12 नवंबर 2014 और 12 नवंबर 2016 को पुनः नियुक्त) (पी. एफ. आर. डी. ऐ. द्वारा दिनांक 01 अगस्त 2015 को अध्यक्ष के रूप में नियुक्त) Chairman & Trustee (Appointed by PFRDA as Trustee with effect from 12th November 2012, reappointed on 12th November 2014 and 12th November 2016) (Appointed by PFRDA as Chairman with effect from 1st August 2015)</p>
<p>श्रीमती पल्लवी श्रोफ (प्रबंध पार्टनर शर्दुल अमरचंद मंगलदास एंड कंपनी, नई दिल्ली) Smt. Pallavi Shroff (Managing Partner at Shardul Amarchand Mangaldas & Co., New Delhi)</p>	<p>ट्रस्टी (पी. एफ. आर. डी. ऐ. द्वारा दिनांक 12 नवम्बर 2012 को ट्रस्टी नियुक्त व दिनांक 12 नवंबर 2014 और 12 नवंबर 2016 को पुनः नियुक्त) Trustee (Appointed by PFRDA as Trustee with effect from 12th November 2012, reappointed on 12th November 2014 and 12th November 2016)</p>
<p>श्री प्रमोद कुमार रस्तोगी [सेवा निवृत्त भारतीय प्रशासनिक सेवा अधिकारी, पूर्व सचिव स्टील मंत्रालय; सदस्य, टेलीकॉम डिसप्यूट सेट्लेमेंट तथा अप्पेलेट ट्रिबुनल) Shri Pramod Kumar Rastogi (Retired, IAS; Former Secretary, Ministry of Steel; Former Member, Telecom Disputes Settlement and Appellate (TDSAT) Tribunal)</p>	<p>ट्रस्टी (7 अप्रैल 2017 को ट्रस्टी के रूप में सेवानिवृत्त) Trustee (Retired as Trustee on 7th April 2017)</p>

नेशनल पेंशन सिस्टम ट्रस्ट (एन.पी.एस.ट्रस्ट) के ट्रस्टी बोर्ड (दिनांक 13 जुलाई 2017 को) का विवरण
Board of Trustees of National Pension System Trust (NPS Trust) as on 13th July 2017- Details

<p>श्री एन डी गुप्ता</p> <p>(भारत के चार्टर्ड एकाउंटेंट्स संस्थान के अध्यक्ष (2001-02), अंतर्राष्ट्रीय लेखा मानक समिति (ब्रिटेन) के बोर्ड के सदस्य (2001-04) और लेखाकार के इंटरनेशनल फेडरेशन (संयुक्त राज्य अमरीका) के बोर्ड के सदस्य (2000 & 2001), मोतीलाल नेहरु राष्ट्रीय प्रौद्योगिकी संस्थान, एमएचआरडी, भारत सरकार के अध्यक्ष (2005-11))</p> <p>Shri N. D. Gupta</p> <p>(President of Institute of Chartered Accountants of India (2001-02), Board Member of International Accounting Standards Committee (IASC), U.K (2001-04) and International Federation of Accountants (IFAC), USA) (2000 & 2001), Chairman of Motilal Nehru National Institute of Technology, MHRD,GOI, (2005-11))</p>	<p>ट्रस्टी</p> <p>(पी. एफ. आर. डी. ऐ. द्वारा दिनांक 30 मार्च 2015 को ट्रस्टी नियुक्त)</p> <p>Trustee</p> <p>(Appointed by PFRDA as Trustee with effect from 30th March 2015)</p>
<p>श्री अश्विन पारेख</p> <p>(अश्विन पारेख एडवाइजरी सर्विसेज एलएलपी के प्रबंध पार्टनर)</p> <p>Shri Ashvin Parekh</p> <p>(Managing Partner of Ashvin Parekh Advisory Services LLP)</p>	<p>ट्रस्टी</p> <p>(पी.एफ.आर.डी.ऐ. द्वारा दिनांक 30 मार्च 2015 को ट्रस्टी नियुक्त)</p> <p>Trustee</p> <p>(Appointed by PFRDA as Trustee with effect from 30th March 2015)</p>
<p>श्री अतानु सेन</p> <p>(पूर्व प्रबंध निदेशक और मुख्य कार्यकारी अधिकारी एसबीआई लाइफ इंश्योरेंस कंपनी लिमिटेड)</p> <p>Shri Atanu Sen</p> <p>(Former Managing Director & Chief Executive Officer of SBI Life Insurance Company Limited)</p>	<p>ट्रस्टी</p> <p>(पी.एफ.आर.डी.ऐ. द्वारा दिनांक 12 जून 2017 को ट्रस्टी नियुक्त)</p> <p>Trustee</p> <p>(Appointed by PFRDA as Trustee with effect from 12th June 2017)</p>

नेशनल पेंशन सिस्टम ट्रस्ट (एन.पी.एस.ट्रस्ट) के ट्रस्टी बोर्ड (दिनांक 13 जुलाई 2017 को) का विवरण
Board of Trustees of National Pension System Trust (NPS Trust) as on 13th July 2017- Details

<p>श्री कमल चौधरी</p> <p>(स्थापना के बाद पीएफआरडीए के साथ जुड़े और बीमा और पेंशन क्षेत्र में व्यापक अनुभव)</p> <p>Shri Kamal Chaudhry</p> <p>(Associated with PFRDA since inception and has vast experience in Insurance & Pension Sector)</p>	<p>मुख्य कार्यकारी अधिकारी</p> <p>(पी. एफ. आर. डी. ऐ. द्वारा दिनांक 01 अगस्त 2014 मुख्य कार्यकारी अधिकारी के रूप में नियुक्त)</p> <p>Chief Executive Officer</p> <p>(Appointed by PFRDA as CEO with effect from 01st August 2014 & reappointed on 30th November 2016)</p>
--	---

N P S

एन. पी. एस. ट्रस्ट के व्यवसाय समीक्षा सलाहकार

क्रिसिल लिमिटेड

क्रिसिल हाउस, सेंट्रल एवेन्यू, हीरानन्दानी बिजनेस पार्क, पवई, मुंबई 400076

संपर्क अधिकारी :-

श्री जीजू विद्याधरन, वरिष्ठ निदेशक, फंड व फिक्स्ड इंकम रिसर्च

BUSINESS REVIEW CONSULTANTS to NPS TRUST

CRISIL Limited

CRISIL House, Central Avenue, Hiranandani Business Park,
Powai, Mumbai 400076.

Contact Person:-

Shri Jiju Vidyadharan, Senior Director, Funds & Fixed Income Research.

एन. पी. एस. ट्रस्ट के भुगतान गेटवे सेवा प्रदाता

(क) स्टेट बैंक ऑफ इंडिया (एसबीआई ईपे)
एग्रीगेटर मॉड्यूल, न्यू बिजनेस डिपार्टमेंट
कॉरपोरेट सेंटर, चौथी मंजिल, टावर 4
सेक्टर- 11, सी. बी. डी. बेलापुर
नवी मुंबई - 400 614

संपर्क अधिकारी :- श्री अभिजीत खान, चीफ मैनेजर, एग्रीगेटर मॉड्यूल

(ख) इंडियाआइडियाज.कॉम लिमिटेड (बिलडेस्क)
ई-510, क्रिस्टल प्लाजा, न्यू लिंक रोड, अंधेरी (वेस्ट),
मुंबई - 400053

संपर्क अधिकारी :- श्री सौविक सिन्हा, बिजनेस डेवलपमेंट मैनेजर

PAYMENT GATEWAY SERVICE PROVIDER TO NPS TRUST

(A) State Bank of India (SBI ePay)
Aggregator Module, New Business Dept.
Corporate Centre, 4th Floor, Tower 4
Sector – 11, C.B.D. Belapur
Navi Mumbai – 400 614

Contact Person:- Shri Abhijit Khan, Chief Manager, Aggregator Module

(B) Indialdeas.com Limited (BillDesk)
E-510, Crystal Plaza,
New Link Road, Andheri (W),
Mumbai- 400053

Contact Person:- Shri Souvik Sinha, Business Development Manager

नेशनल पेंशन सिस्टम (एन. पी. एस.) की मध्यवर्ती संस्थाएँ (इंटेर्मेडियरिस)
(दिनांक 13 जुलाई 2017 को)

INTERMEDIARIES FOR THE NATIONAL PENSION SYSTEM (NPS) SCHEMES
(As on 13th July 2017)

पेंशन निधि (पी. एफ.)
Pension Funds (PFs)

क्रमांक S. No.	पेंशन निधि Pension Funds	अभिदाता / ग्राहक वर्ग Subscriber Class
1.	एस. बी. आई. पेंशन फंड्स (पी.) लिमिटेड 32, तीसरा तल, मेकर चेम्बर - III, नरीमन पॉइंट, मुंबई- 400 021 संपर्क अधिकारी:- श्री कुमार शरदंदु, प्रबंध निदेशक व सी ई ओ SBI Pension Funds (P) Ltd, No. 32, 3rd Floor, Maker Chambers-III, Nariman Point, Mumbai- 400 021 Contact Person:- Sh. Kumar Sharadindu, Managing Director & CEO	केंद्र व राज्य सरकार (सी जी व एस जी तथा निजी क्षेत्र) Central Government & State Government (CG & SG and Private Sector)
2.	एल आई सी पेंशन फंड लिमिटेड प्रथम तल , पूर्व विंग , औद्योगिक आश्वासन बिल्डिंग वीर नरीमन रोड, चर्चगेट , मुंबई - 400020 संपर्क अधिकारी:- श्री एस बंधोपाध्याय, प्रबंध निदेशक व सी ई ओ LIC Pension Fund Limited, 1st Floor, East Wing, Industrial Assurance Building Veer Nariman Road, Churchgate, Mumbai – 400020. Contact Person:- Sh. S. Bandyopadhyay, Managing Director & CEO	केंद्र व राज्य सरकार (सी जी व एस जी तथा निजी क्षेत्र) Central Government & State Government (CG & SG and Private Sector)

क्रमांक S. No.	पेंशन निधि Pension Funds	अभिदाता / ग्राहक वर्ग Subscriber Class
3.	<p>यूटीआई रिटायरमेंट सॉल्यूशंस लिमिटेड, यूटीआई टॉवर, 'जीएन' ब्लॉक, बांद्रा कुर्लाकॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई- 400051 संपर्क अधिकारी:- श्री बलराम पी. भगत, मुख्य कार्यकारी अधिकारी</p> <p>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</p>	<p>केंद्र व राज्य सरकार (सी जी व एस जी तथा निजी क्षेत्र)</p> <p>Central Government & State Government (CG & SG and Private Sector)</p>
4.	<p>आईसीआईसीआई प्रूडेंशियल पेंशन फंड मैनेजमेंट कंपनी लिमिटेड आईसीआईसीआई प्रूलाइफ टावर्स, 1089, अप्पासाहेब मराठे मार्ग, प्रभादेवी, मुंबई- 400025 संपर्क अधिकारी: सुश्री मेघना बाजी, मुख्य कार्यकारी अधिकारी</p> <p>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</p>	<p>निजी क्षेत्र Private Sector</p>
5.	<p>कोटक महिंद्रा पेंशन फंड लिमिटेड 6 वीं मंजिल, कोटक टॉवर, इन्फिनिटी पार्क, गोरेगांव- मुलुंड लिंक रोड, मलाड (ई), मुंबई- 400097 संपर्क अधिकारी :-श्री संदीप श्रीखंदे, मुख्य कार्यकारी अधिकारी</p> <p>Kotak Mahindra Pension Fund Ltd., 6th Floor, Kotak Tower, Infinity Park, Goregoan-Mulund Link Rd, Malad (E), Mumbai- 400097 Contact Person:- Sh. Sandeep Shrikhande, Chief Executive Officer</p>	<p>निजी क्षेत्र Private Sector</p>
6.	<p>रिलायंस कैपिटल पेंशन फंड लिमिटेड रिलायंस केंद्र, 7 वीं मंजिल, दक्षिण विंग ऑफ वेस्टर्न एक्सप्रेस हाइवे, सांताक्रुज (पूर्व) , मुंबई 400055 संपर्क अधिकारी :-श्री गुरबीर चोपड़ा, मुख्य कार्यकारी अधिकारी</p> <p>Reliance Capital Pension Fund Ltd. Relaince Centre, 7th Floor, South Wing, Off western Express Highway, Santacruz (East), Mumbai- 400055 Contact Person:- Sh. Gurbir Chopra, Chief Executive Officer</p>	<p>निजी क्षेत्र Private Sector</p>

क्रमांक S. No.	पेंशन निधि Pension Funds	अभिदाता / ग्राहक वर्ग Subscriber Class
7.	<p>एचडीएफसी पेंशन मैनेजमेंट कंपनी लिमिटेड 13 वीं मंजिल, लोढा एक्ससेलस, अपोलो मिल्स कंपाउंड, एन एम जोशी मार्ग, महालक्ष्मी, मुंबई- 400 011 संपर्क अधिकारी: - श्री सुमित शुक्ला, मुख्य कार्यकारी अधिकारी</p> <p>HDFC Pension Management Company Limited 13th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai 400 011 Contact Person:- Sh. Sumit Shukla, Chief Executive Officer</p>	<p>निजी क्षेत्र Private Sector</p>
8.	<p>बिड़ला सन लाइफ पेन्शन मैनेजमेंट लिमिटेड वन इंडिया बुल्स सेंटर, टॉवर -1, 16 वीं मंजिल, एलफिंस्टन मिल कंपाउंड, 841, एस.बी. मार्ग, एल्फिंस्टन रोड, मुंबई 400 013 संपर्क अधिकारी: - श्री शशि कृष्णन, मुख्य कार्यकारी अधिकारी</p> <p>Birla Sun Life Pension Management Limited One India Bulls Centre, Tower-1, 16th floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400 013 Contact Person:- Sh. Sashi Krishnan, Chief Executive Officer</p>	<p>क्षेत्र Private Sector</p>

केन्द्रीय अभिलेखापाल अभिकरण

- एनएसडीएल ई-गवर्नेंस इंफ्रास्ट्रक्चर लिमिटेड,
4 थी मंजिल, ए विंग, ट्रेड वर्ल्ड, कमला मिल्स कम्पाउण्ड,
सेनापति बापट मार्ग, लोअरपरेल, मुंबई- 400013

संपर्क अधिकारी: श्री अमित सिन्हा, कार्यकारी उपाध्यक्ष

Central Record Keeping Agency

NSDL e-Governance Infrastructure Limited,
4th Floor, 'A' Wing, Trade World, Kamala Mills
Compound, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013

Contact Person: Sh. Jayesh Sule, Chief
Operating Officer

2. कार्वी कम्प्यूटरशेयर प्राइवेट लिमिटेड
46 एवेन्यू, चौथे स्ट्रीट, नंबर 1 बंजारा हिल्स,
हैदराबाद - 500034

संपर्क अधिकारी: श्री भूषण मैडियो, वाइस प्रेसिडेंट और
प्रमुख- सीआरए, कार्वी कम्प्यूटरशेयर प्राइवेट लिमिटेड

Karvy Computershare Private Limited
46 Avenue, 4th Street, No. 1 Banjara Hills,
Hyderabad - 500034

Contact Person: Sh. Bhushan Maideo, Vice
President & Head- Karvy Computer share
Private Ltd.

न्यासी बैंक

एक्सिस बैंक लिमिटेड,
व्यापार बैंकिंग विभाग, मंजिल 6, एक्सिस हाउस,
सी- 2, वाडिया इंटरनेशनल सेंटर, पांडुरंगबुधकर मार्ग,
वर्ली, मुंबई- 400025

शाखा का पता:

शाखा का नाम- सेंट्रलाइज्ड कलेक्शन एंड पेमेंट हब
(सीसीपीएच), 5 वीं मंजिल, जीगाप्लेक्स बिल्डिंग नं 1,
प्लॉट नं. आईटी 5, एमआईडीसी, ऐरोली नॉलेज पार्क,
ऐरोली, नवी मुंबई - 400708

संपर्क अधिकारी:-

1. श्री प्रसन्ना आचार्या, प्रमुख - केंद्रीय संग्रह और
भुगतान हब (सीसीपीएच)
2. श्री ऋषिकेश कुमार सिंह, सीनियर मैनेजर- केंद्रीय संग्रह
और भुगतान हब (सीसीपीएच)

अभिरक्षक

स्टॉक होल्डिंग कार्पोरेशन ऑफ इंडिया लिमिटेड
(एस एच सी आई एल)
301, सेंटर प्वाइंट, परेल, डॉ.बाबासाहेब आंबेडकर रोड,
मुंबई- 400012

संपर्क अधिकारी: श्री आर. आनंद, वाइस प्रेसिडेंट

Trustee Bank

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 - Centralised Collections
and Payment HUB (CCPH), 5th Floor,
Gigaplex, Building No. 1, Plot No.I.T.5,
MIDC, Airoli Knowledge Park, Airoli,
Navi Mumbai - 400708.

Contact Persons:-

1. Shri Prasanna Acharya, Head - Centralised
Collections and Payment HUB (CCPH)
2. Shri Rishi Kesh Kumar Singh, Senior
Manager - Centralised Collections and
Payment HUB (CCPH)

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 2016– 17.

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 to hold the assets and funds under the NPS for the benefit 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 PFRDA Act-2013, Indian Trust Act – 1882, NPS Trust 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.

PFRDA (National Pension System Trust) Regulations

The PFRDA (National Pension System Trust) Regulations was notified by the Authority on 12th March 2015. As per the PFRDA (NPS Trust) Regulations 2015, NPS Trust is responsible for monitoring and evaluation of all operational and service level activities of all intermediaries including government nodal offices and such other entity or person connected with collection, management and recordkeeping and distribution of accumulations, under the National Pension System, in accordance with the provisions of the Act or the regulations made or guidelines or circulars issued by the Authority.

Trustee Bank

Axis Bank was appointed as Trustee Bank w.e.f. 1st July 2015 for a period of 5 years. 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) were appointed by PFRDA as the custodian to NPS for a period of 5 years w.e.f 14/05/2016 through an RFP process. Stock Holding Corporation of India Ltd. (SCHIL) has been appointed to function as “The Custodian and Depository Participant” to NPS Trust and provide custodial services for securities in physical form and Depository Participant services for securities in Demat mode.

The custodian provides custodial services to the Pension Fund and ensure that benefits due on the holdings are received; provide detailed information and other reports as required by the NPS Trust; maintain confidentiality of the transactions; and are responsible for any loss or damage to the assets belonging to the Pension Funds due to negligence on its part or on the part of its approved agents. The Custodian is not permitted to assign, transfer, hypothecate, pledge, lend, use or otherwise dispose off any assets or property of the Fund, except pursuant to instruction from the Trustee.

The functions of the Custodian includes:-

- I. Maintaining accounts of securities or assets held;
- II. Undertaking activities as a Domestic Depository in terms of the Depositories Act, 1996 or as permitted by the Securities and Exchange Board of India.
- III. Collecting the benefits or rights accruing on the securities or assets.
- IV. Informing about the actions taken or to be taken by the issuer of the securities, having a bearing on the benefits or rights accruing on the securities or assets held; and
- V. Maintaining and reconciling records of the services

NPS Trust Board: Appointments & Retirements

- I. The term of Sh. Shailesh Haribhakti as Chairman & Trustee of the Board of Trustees of NPS Trust was extended by PFRDA for a period of one year, w.e.f 12th November 2016.
- II. The term of Smt. Pallavi S. Shroff as Trustee of NPS Trust was extended by PFRDA for a period of one year, w.e.f 12th November 2016.
- III. The term of Shri Kamal Chaudhry as Chief Executive Officer of the NPS Trust was extended by PFRDA on 30th November 2016 till his superannuation from the services of the Authority or until further orders whichever is earlier.
- IV. Sh. Pramod Kumar Rastogi retired as Trustee of NPS Trust on 7th April 2017 on completion of his term.

Audit Committee of the Board of Trustees of NPS Trust

The Audit Committee to the Board of NPS Trust was constituted to assist the Board of NPS Trust with various audit reports, compliance reports of PF. The Present Composition of Audit Committee of the Board of NPS Trust is

Name	Designation
Shri N. D. Gupta	Chairman
Shri Ashvin Parekh	Member
Shri Kamal Chaudhry	Member

Meetings held and Attendance

Five meetings of the Audit Committee to NPS Trust Board were held during the financial year 2016-17. The details of Audit Committee meetings attended by the Trustees are as under:-

Name	Designation	No. of Meetings attended
Shri N. D. Gupta	Chairman of the Audit Committee to the Board of NPS Trust	5
Shri Pramod Kumar Rastogi	Member	5
Shri Kamal Chaudhry	Member	5

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

4 meetings of the NPS Trust's Board of Trustees were held during the financial year 2016 -17. The details of Board meetings attended by the Trustees are as under:-

Name	Designation	No. of Meetings attended
Shri Shaillesh Haribhakti	Chairman & Trustee	4
Smt. Pallavi Shroff	Trustee	2
Shri Pramod Kumar Rastogi	Trustee	4

Name	Designation	No. of Meetings attended
Shri N. D. Gupta	Trustee	4
Shri Ashvin Parekh	Trustee	4
Shi Kamal Chaudhry	CEO	4

Accounts of National Pension System (NPS) Trust

The Accounts of the Trust for the financial year 2016-17 were audited by M/s RMA & Associate, the statutory auditors to NPS Trust. The Audited Accounts and Report of the Auditor are annexed (Annexure I) to this report. The scheme accounts for the FY 2016-17 managed by the seven Pension Funds have been consolidated into a single revenue account and Balance Sheet. The consolidated accounts were signed by coordinating scheme auditor M/S M M Nissim & Co. The same is enclosed as Annexure II.

Agreements signed during the Financial Year 2016 - 17

During the Financial year 2016-17, PFRDA has issued Certificate of Registration dated 14th June 2016 to Karvy Computershare Private Limited to function as Central Recordkeeping Agency (CRA) in the National Pension System (NPS) architecture for a period of 10 years. Service Level Agreement was executed by National Pension System Trust with Karvy Computershare Private Limited.

State Bank of India (SBlePay) and Indialdeas.com Limited (BillDesk) were appointed as Payment Gateway Service Provider for National Pension System (NPS) by National Pension System Trust. Payment Gateway Service Provider Agreement was executed with State Bank of India (SBlePay) on 21st April 2017 and with Indialdeas.com Limited (BillDesk) on 12th May 2017.

Birla Sun Life Pension Management Ltd. was issued Certificate of Registration by PFRDA to act as a Pension Fund under the National Pension System (NPS) for private sector. Investment Management Agreement (IMA) and Non Disclosure Agreement (NDA) were executed by National Pension System Trust with Birla Sun Life Pension Management Ltd on 18th November 2016.

Domestic Economy: Fiscal 2016-17

The Central Statistics Office (CSO) expects the Indian economy to grow 7.1% in 2016-17 compared with 7.9% growth in 2015-16. It expects gross value added (GVA) to increase 6.7% in fiscal 2016-17 compared with 7.8% in 2015-16. The International Monetary Fund (IMF) expects the Indian economy to grow 6.8%, and has retained the country's growth outlook for fiscal 2017-18 at 7.2%.

GDP / GVA growth (year-on-year %)

	Q1FY17	Q2FY17	Q3FY17	FY17AE
GDP / GVA at basic prices	6.9	6.7	6.6	6.7
Agriculture	1.9	3.8	6.0	4.4
Industry	6.1	5.1	6.6	5.8
Mining & quarrying	1.3	2.6	11.4	1.3
Manufacturing	9.0	6.9	8.3	7.7
Electricity, gas & water supply	10.8	0.9	3.8	6.6
Construction	3.1	7.3	6.3	3.1
Services	8.8	8.2	6.8	7.9

AE: Advance estimates

Source: Central Statistical Office (CSO), CRISIL Research

Exports rose 4.71% to \$274.65 billion in fiscal 2017 from \$262.29 billion in the corresponding period last year. Imports slipped 0.17% to \$380.37 billion in fiscal 2017 from \$381.01 billion in the corresponding period last year. As a result, trade deficit for fiscal 2017 was estimated at \$105.72 billion, 10.95% lower than the deficit of \$118.72 billion in fiscal 2016.

Consumer Price Index (CPI)-based or retail inflation fell to 4.5% in fiscal 2017 from 4.9% in fiscal 2016 mainly led by the effect of demonetisation on perishables. In the latest monetary policy review, the Reserve Bank of India's (RBI's) Monetary Policy Committee (MPC) reaffirmed its CPI-based inflation target of 4% for the medium term. However, it has telegraphed a glide path that takes CPI inflation to average 5% in the second half of fiscal 2018 and 4.6% in the fourth quarter of fiscal 2019.

Consumer Price Index (year-on-year %)

	April-March			
	Mar-17*	Mar-16	FY17	FY16
CPI (combined)	3.8	4.8	4.5	4.9
Food and beverages	2.5	5.3	4.5	5.1
Pan, tobacco and intoxicants	6.2	8.5	6.8	9.3
Fuel & Light	5.6	3.4	3.3	5.3

	Mar-17*	Mar-16	April-March	
			FY17	FY16
Core CPI	5.0	5.4	4.9	5.4
Housing	5.0	5.3	5.2	4.9
Clothing & footwear	4.6	5.5	5.0	5.8
Misc.	4.8	4.0	4.5	3.7

*provisional

Source: CSO, CRISIL Research

Global economy: Calendar Year 2016

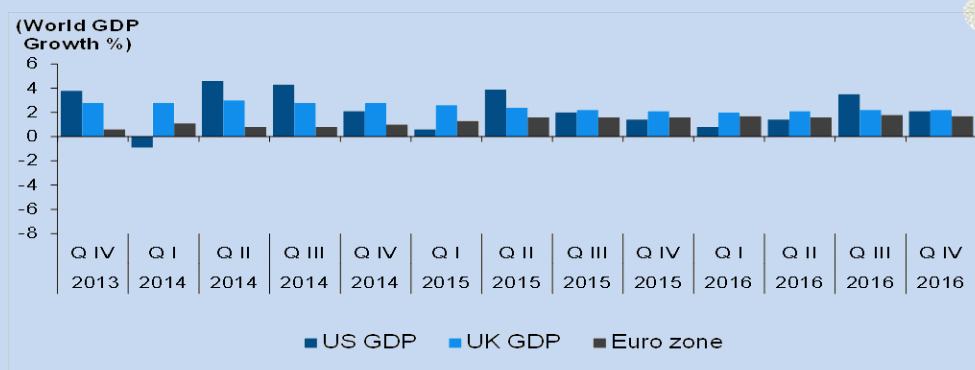
The US

The US economy grew 1.6% in 2016, the lowest reading on record since 2011 and down from 2.6% growth recorded a year ago. The Organisation for Economic Co-operation and Development (OECD) opined that global economies, including the US, would benefit from US President Donald Trump's growth supportive reforms such as planned tax cuts and public spending. The economic think tank raised the US economic growth forecast for 2017 to 2.3% from the earlier forecast of 2.1%. In an important development, the US Federal Reserve (Fed) hiked the interest rate twice (in December 2016 and March 2017) by 25 basis points (bps) each to 0.75-1.00% following increase in inflation expectations and improvement in the job sector.

The UK

The UK's economic output declined in 2016 as a result of the Brexit fallout. In 2016, the UK economy advanced 1.8% compared to 2.2% a year earlier. In a shocking referendum result, Britons decided to sever ties with the European Union (EU) trading bloc. Following the decision, the Bank of England slashed the key interest rate to a record low of 0.25% from 0.5% and expanded its quantitative easing (QE) program to 435 billion pounds from 375 billion pounds, in addition to introducing a corporate bond-buying plan of up to 10 billion pounds. Despite the move to exit the EU, the OECD remains bullish about the UK's prospects, pegging GDP growth at 1.2% in 2017, higher than its earlier projection of 1%.

Chart 1 - GDP growth of major world economies



Source: Statistical Bureau, respective countries

Eurozone

The Eurozone economy expanded 1.7% in 2016 following 2% growth in 2015. The European Central Bank (ECB) announced a host of growth supportive measures, including slashing its main benchmark rate to 0% from 0.05%, increasing its monthly bond purchases to 80 billion euros from 60 billion euros, reducing the interest rate on deposits held by banks at the ECB to -0.4% from -0.3%, and long-term cheap loans with tenors up to four years to support banks. Later in the year, the ECB announced the extension of the QE program until December 2017, adding that it will begin tapering its asset purchases to 60 billion euro from 80 billion euro with effect from April 2017.

China

Slowdown fears continued to haunt China. Economic organisations downgraded their growth outlook for the nation - the World Bank expects the economy to expand 6.5% in 2017, and the OECD predicts that China will grow 6.4% in 2017. In 2016, the economy expanded 6.7%, a 26-year low and following 6.9% growth a year earlier. Looking ahead, the government has set a growth target of 6.5% for 2017, the lowest in 25 years. China's central bank maintained its key interest rate at 4.35% during the year, but cut the reserve requirement for big banks by 50 bps points to 17% in March 2016 to aid economic recovery.

Japan

The Japanese economy grew 1% in 2016 compared with 1.2% growth in 2015. Despite the marginal slowdown, economic organisations remained bullish about future growth prospects - the OECD upgraded Japan's growth outlook for 2017 to 1% from 0.7%, while the IMF upgraded growth projection for 2017 from 0.1% to 0.6%. Among important developments, Japan's central bank overhauled its monetary policy framework by switching from the money printing programme to targeting interest rates. However, it kept the key interest rate steady at -0.1% through the year, and maintained the annual target for expanding the monetary base at 80 trillion yen.

Policy rates

Most global central banks maintained their key interest rates, except the US and the UK. The US continued tightening its monetary policy through the year, hiking the federal funds rate twice - once in December 2016 and again in March 2017. Further, the US central bank projected two further interest rate hikes in 2017. The UK, meanwhile, lowered its key interest rate to 0.25% to stabilise the economy following the decision by Britons to exit the EU.

Policy rates in major economies

Country	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
United States	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.50-0.75	0.50-0.75	0.50-0.75	0.75-1.00
United Kingdom	0.50	0.50	0.50	0.50	0.50	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Eurozone	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Japan	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10	-0.10
China	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35

Source: Central Banks, respective countries

Indian equities witnessed sharp rally in the fiscal on favourable domestic cues

Indian equities recorded stunning performance in the fiscal 2017 with benchmarks S&P BSE Sensex and Nifty 50 surging 17% and 19%, respectively. The rally was supported by several domestic and global cues. On the domestic front, the market received support from RBI's interest rate reduction in April 2016, the Indian Meteorological Department's (IMD's) above-average monsoon forecast for the year, the ruling party's win in the state assembly elections and announcements made in the Union Budget. Sentiments were boosted further after the GST council's announcement of a four-tiered tax structure and passage of four crucial bills related to GST, bringing India closer to a unified tax regime from July 1, 2017. The market was also bolstered by robust buying of domestic equities by foreign institutional investors (FIIs). They bought equities worth Rs 55,703 crore in FY17 vis-à-vis selling of Rs 14,172 crore in the previous fiscal. Globally, the Organization of the Petroleum Exporting Countries' (OPEC's) decision to reduce oil output, stimulus measures from global central banks, the US Fed's hint of a slower pace of monetary tightening through 2017 and the ECB's decision to extend its QE programme until December 2017 augured well for domestic equities.

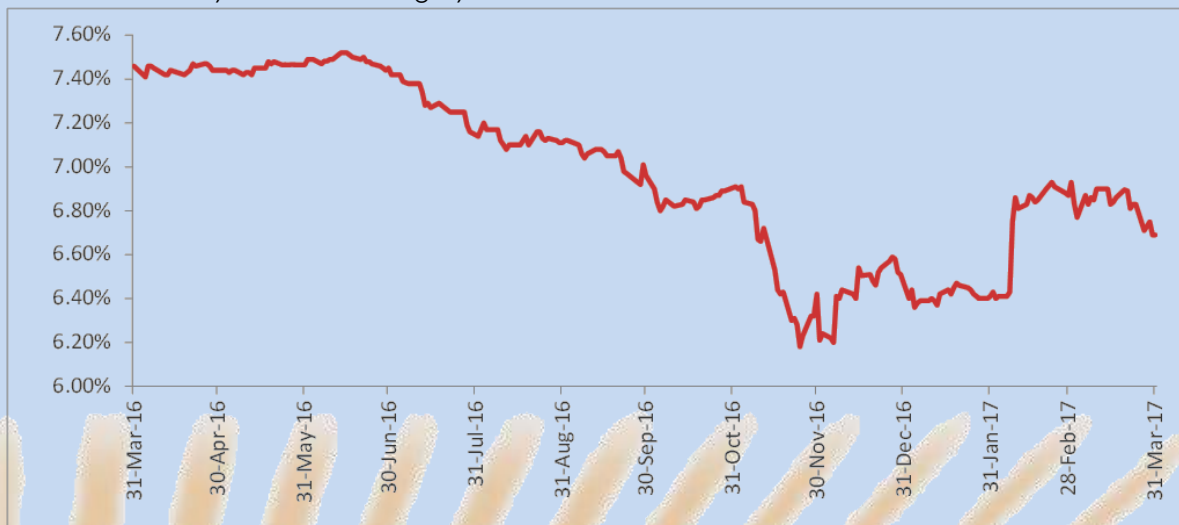
Some gains were wiped off after the government demonetised high value notes of Rs 500 and Rs 1,000 in November 2016 and geopolitical tensions between India and Pakistan after surgical strikes by the Indian army in September 2016. UK Prime Minister Theresa May's confirmation that the UK will exit the EU single market, worries over stricter H-1B visa rules in the US, concerns over US President Donald Trump's policies and the RBI's decision to change its policy stance to neutral from accommodative in its February 2017 policy review also dented sentiment.

All sectoral indices ended higher in fiscal 2017. S&P BSE Metal was the highest gainer (up 57%) aided by the government's favourable measure of imposing anti-dumping duty on cold-rolled flat products, and helped by sporadic rise in prices of metals globally. S&P BSE Oil and Gas gained 48% aided by OPEC's decision to freeze output and as petrol and diesel prices were hiked in line with an increase in global crude oil prices. S&P BSE IT (down nearly 9%) was the sole decliner, as the rupee's gains diminished export competitiveness. Brexit fears and concerns over H-1B visa rules following US President Trump's election victory also pulled the index down.

Indian debt market

Interbank call money rates fluctuated in the range of 5.75% to 6.90% during the fiscal 2017, with the average overnight rate remaining at 6.25%. Demand for funds declined to closely align with the RBI's repo rate, which was slashed twice – first in April 2016 by 25 bps and again in October by a similar quantum. Importantly, the RBI in its April policy statement said it would move to a neutral liquidity regime from its target of a banking system deficit of 1% of net demand and time liabilities (NDTL), which has been the norm for the past six years. Ample liquidity prevailed during most of the fiscal, with demonetisation contributing toward keeping the call rate low. To drain excess funds, the RBI turned to some rarely used tools in its arsenal, including issuance of securities under the Market Stabilisation Scheme (MSS) and temporarily raising the incremental cash reserve ratio on deposits with banks.

Chart 3: India - 10-year benchmark gilt yield



Domestic bond prices shot up in the year. Yield of the 10-year benchmark paper settled at 6.69% on March 31, 2017 against 7.46% a year ago. The RBI reduced interest rates by a total of 50 bps during the year, with the repo rate at 6.25% on March 31, 2017.

The following developments supported gilt prices:

- The UK's decision to exit the EU and the BoE's interest rate cut to 0.25% in August.
- The IMD's above average-monsoon forecast for the year
- Formation of the MPC under RBI Governor Urjit Patel and the MPC's interest rate cut of 25 bps in the October policy review.
- The government's demonetisation move in November 2016, which resulted in significant improvement in systemic liquidity, translating into an increase in demand for government securities.
- Rating agency S&P retaining India's long-term sovereign rating at 'BBB-' and short-term rating at 'A-3', with a stable outlook
- The government's move to trim market borrowing in the second half of the fiscal and lower-than-expected gross borrowing figure announced for fiscal 2017-18 in the budget
- The ruling party's win in the domestic state assembly elections.
- The US Fed retaining its projection of two US interest rate increases in 2017.

Among major developments, the RBI revised the ceiling on the issuance of securities under MSS to Rs 6 lakh crore from the previous limit of Rs 30,000 crore for 2016-17. The central bank allowed foreign portfolio investors (FPIs) to transact in non-convertible debentures/bonds issued by Indian companies either directly or in any manner as per the prevalent market practice. The RBI said all statutory liquidity ratio (SLR)-eligible government bonds, state development loans and treasury bills (T-bills) will now be eligible to be used for repo and reverse repo transactions with the central bank. Further, the central bank allowed multilateral and regional financial institutions to invest in 'masala' bonds. It also issued revised guidelines for issuance of commercial papers. Further, it released draft guidelines on interest rate risk on banking book (IRRBB). The central bank allowed banks to use statutory reserves for servicing

AT1 bonds if free reserves are insufficient. It also raised FPIs' limits on investment in government bonds by an aggregate Rs 17,000 crore for April-June.

The Securities and Exchange Board of India (Sebi) notified new norms allowing FPIs to invest in unlisted corporate bonds and securitised debt instruments.

Global equity markets: Upward trajectory

Global equity markets posted strong rally in fiscal 2017 (MSCI World Index climbed 12.5%) as firm crude oil prices and economic stabilisation in China improved demand for riskier assets. Oil prices rallied after OPEC reached a deal to cut crude oil production. Emerging markets rebounded sharply (MSCI Emerging Market increased 14.5%) tracking positive overseas leads. Indian equity index - Nifty 50 (up 18.6%), too, saw good gains led by the Modi government's push towards crucial reforms such as the GST and after a landslide victory in Uttar Pradesh elections.

The US equity market recorded solid gains in fiscal 2017, with Dow Jones, S&P 500 and Nasdaq Composite closing up 16.8%, 14.7% and 21.4%, respectively. Favourable economic data and expectation of stimulative economic policies under leadership of President Donald Trump propelled the market.

European equities ended on a cheerful note as the ECB's decision to extend the QE program helped the indices to regain traction. Intermittently, markets received a jolt after Britain voted in the British exit referendum to leave the EU.

Asian equities advanced in fiscal 2017, aided by Chinese economic recovery and tracking the US market. Hong Kong's Hang Seng surged 16.1% and Singapore's Straits Times gained 11.8%. Japan's Nikkei (up 12.8%) ended a volatile year in the positive terrain as weaker yen boosted exporters-heavy benchmark and as Donald Trump's victory in the US presidential election raised hopes that he will move to cut taxes, boost infrastructure spending and promote deregulation.

Returns of key world markets in fiscal 2017

Index	Country/Region	Returns (%)*
Americas		
DOW JONES INDUSTRIAL AVERAGE (DJIA)	US	16.84
S&P 500 INDEX	US	14.71
NASDAQ COMPOSITE	US	21.39
BRAZIL IBOVESPA INDEX	Brazil	29.83
MEXICO IPC INDEX	Mexico	5.80
Europe		
FTSE 100 INDEX	UK	18.59
CAC 40 INDEX	France	16.82
DAX INDEX	Germany	23.55

Index	Country/Region	Returns (%)*
Asia		
NIKKEI 225	Japan	12.83
HANG SENG INDEX	Hong Kong	16.05
STRAITS TIMES INDEX	Singapore	11.76
NSE NIFTY 50 INDEX	India	18.55
Regional Indices		
MSCI EMERGING MARKET	Emerging markets	14.53
MSCI WORLD	World	12.47
MSCI AC ASIA x JAPAN	Asia-Ex Japan	14.66
MSCI EUROPE	Europe	13.47
*Returns are from 31 st March 2016 to 31 st March 2017		

International Debt and Gilt Markets (US)

The US treasury prices ended down in fiscal 2017 led by interest rate hikes by the US Fed amid improvement in the US economy. Yield on the 10-year benchmark paper rose to 2.40% on March 31, 2017 from 1.78% on March 31, 2016.

Sentiment for bonds dented owing to:

- The US Fed hiking interest rate twice by 25 bps each to 0.75-1.00% amid improvement in key economic indicators.
- Growing expectations that President Donald Trump will adopt a range of stimulative economic policies, including tax cuts and increased infrastructure spending.
- Growing worries that US inflation will gain traction under Trump's proposed policies.
- The ECB's decision to taper its bond purchase program, rise in global crude oil prices and fall in German bonds.

However, fall in bond prices was restricted owing to lack of clarity on President Trump's policies, concerns over the Brexit fallout, political uncertainty in Europe and geo-political tension emanating from North Korea.

Chart 2: The US 10-year government bond yield



Indian Mutual Fund Industry

The Indian mutual fund industry's quarterly average assets under management (AUM) posted record high fiscal growth, both in percentage and absolute terms, since the Association of Mutual Funds in India (AMFI) started declaring quarterly AUM in September 2010. Industry AUM grew 35.18%, or by Rs 4.76 trillion, to reach a new high of Rs 18.30 trillion (excluding fund of funds) in the fiscal 2017 (FY17).

Equity funds continued to be investors' favourites as reflected in the inflow trend. The category saw progressive increase in inflows: Rs 1.31 trillion in FY17, Rs 1.02 trillion in FY16 and Rs 831 billion in FY15. Robust inflows clubbed with mark-to-market (MTM) gains prompted assets to cross the Rs 6 trillion mark. In FY17, the category's assets grew a robust 43.17%, or by Rs 1.90 trillion, to a new high of Rs 6.30 trillion. Debt funds' AUM rose 31.75% driven by short-term debt, ultra short-term and money market funds amid growing investors' preference for shorter-maturity debt as it is less sensitive to interest rate changes. However long-maturity debt funds' AUM posted muted growth amid growing expectations that the RBI's interest rate easing cycle has come to an end.

The industry continued to be highly concentrated, with the share of the top five and top 10 fund houses rising to 57.01% and 80.81% from 55.66% and 79.53%, respectively, a year ago. Among key developments in the industry - Essel Group forayed into asset management by acquiring Peerless Mutual Fund. IDFC bought 25% stake of Natixis Global Asset Management in IDFC Asset Management Co Ltd and IDFC AMC Trustee Co Ltd.

Among major regulatory initiatives, Sebi directed mutual funds to disclose the performance of their schemes since inception and during the preceding one-, three- and five-year periods while advertising. It also allowed celebrities to endorse mutual fund products. This move is a part of investor education and awareness initiative, in order to ease the understanding of retail investors. To expand access to mutual funds and enable investors to undertake hassle-free investment, it may allow purchase of mutual funds using digital wallets. It said brokerage and transaction costs levied on mutual funds should be within the stipulated total expense ratio limit, and any additional cost has to be borne by the concerned AMC. It said fund houses can impose restrictions on redemptions only if there is a systemic crisis or an event that severely tightens market liquidity. It also said fund houses cannot restrict investors' redemption requests till Rs 2 lakh.

In a pro-industry measure, it notified rules allowing foreign fund managers to act as portfolio managers under a relaxed regulatory regime. This will provide easy entry to foreign fund managers keen to enter India. It allowed investment advisors to use the infrastructure of stock exchanges for sale and purchase of mutual funds. The regulator said existing mutual funds will not require approval of a majority unit holders to invest in the derivatives segment provided there is an exit option. It allowed mutual funds to increase the exposure limit provided for housing finance companies from 10% to 15%. It also told mutual funds to reduce the number of funds under management and stick to only one fund per category. Association of Mutual Funds of India (AMFI) asked all fund houses to disclose commission paid to individual distributors in the previous fiscal. This is to enforce Sebi's directive, thereby enabling greater transparency.

Indian Insurance Industry

On the regulatory front

- Insurance Regulatory and Development Authority of India (IRDAI) directed insurance companies to furnish details in cases pending for compliance of orders and rewards of ombudsmen for the past three years.
- It brings out the final norms on corporate governance for the insurance sector, which aims to strengthen the boards of insurance companies.
- It comes up with a new set of norms for maintaining the solvency ratio of insurance companies, based on each line of business.
- It comes out with the exposure draft on selling and servicing insurance policies through the e-commerce platform.
- It said e-insurance would become mandatory for annual premiums equal to or above Rs 10,000 in life insurance policies.
- It proposed minimum shareholding by promoters or promoter group to be at 50% of the paid-up equity capital of insurance companies, which have listed their shares or are in the process of listing their shares.
- It asked life insurers not to withhold or delay settlement of claims of policyholders if there is any objection from claimants to fill the discharge voucher.
- It banned life insurers from offering indemnity-based health products.
- It gave special approval to 23 cross-border reinsurers for 2016-17.
- It reduced motor insurance premium rates in most segments such as two-wheelers, cars and trucks by modifying the rates for 2017-18 issued three weeks ago.
- It decided to force general insurance companies to come under regulations that will make their connections with motor dealers transparent.
- It prescribed a minimum promoter shareholding of 50% in listed insurers.
- It allowed insurers to invest in additional tier 1 bonds sold by banks.
- It cleared investment by insurance companies in real estate investment trusts and infrastructure investment trusts.
- It eased norms for point of sales (PoS) persons' recruitment for non-life and health insurers.
- It asked insurance companies to play an active role in the general meetings of investee companies and engage with management at a greater level to improve governance to increase returns on investments for insurers.

Among other developments:

IRDAI...

- launched a web portal called 'isnp.irda.gov.in' for insurers that will allow them to register and sell policies online.
- proposed not to go ahead with an earlier proposal to mandate that 25% of the corpus of ULIPs be invested by insurers in government securities.
- proposed introducing a new product called 'Title Insurance'.
- is looking to bring uniform disclosure norms for listed and unlisted companies.
- said insurers can invest in equity shares of any listed company where at least 10% dividend has been paid for at least two consecutive years under the approved investment category.
- asked life insurance companies to provide an additional window of 30 days to policy holders for paying premium.

International Pension Market

A study by Towers Watson, a consultancy that advises institutional investors including pension funds on investment and risk management, shows that at the end of 2016, pension assets for the 22 major pension markets were estimated at USD 36,435 bn, representing an increase of 4.3% compared to USD 34,931 bn at the end of 2015. The US, the UK and Japan – the largest pension markets – have 61.7%, 7.9% and 7.7% share in the total pension assets, respectively and in USD terms pension assets in these markets grew 5.1%, 1.3% and 5.1% respectively. The asset allocation of the seven biggest pension markets (Australia, Canada, Japan, the Netherlands, Switzerland, the UK and the US) shows that at the end of 2016, the average global asset allocation was 46% in equities, 28% in bonds, 24% in other assets (including real estate and other alternatives) and 3% in cash. Since, 1996, the allocation to other assets have increased while allocation to equities and bonds have decreased. Among the seven countries, the US, Australia and the UK have higher allocations to equities than the rest. Switzerland, Japan and the Netherlands had higher allocation to bonds. In the 2 major pension markets, global pension assets to GDP ratio reached 62.00% at the end of 2016, decreased from 80% at the end of 2015. In the past 10 years, defined contribution (DC) assets have grown at 5.6% per annum while defined benefit assets have grown at a slower pace of 2.6% per annum in the seven biggest pension market. At the end of 2016, DC assets represented 48.4% of total pension assets (in the seven biggest pension market), in line with the established trend towards the growing dominance of DC pension. (Source: *Global-Pensions-Asset-Study-2017*)

Indian Pension Market

Internationally, Pension industry is the largest mobilizer of funds and uses them for investments in the various asset classes. In the process, Pension Industry plays a major role in the world economy. As a measure of the size of the market, 22 major pension markets in the world were about US\$ 36 trillion in assets. USA is the largest Pension market in the world with assets of about US \$ 22 Trillion. Average 10 year CAGR in the assets of these top 22 markets has been 4%. The US continues to be the biggest market in terms of pension assets followed by UK and Japan where they together account for over 77.3% of total global assets. This will give you an

estimate of the size and huge potential of the pension sector. (Source: Global-Pensions-Asset-Study-2017)

Indian Pension Sector is the Sunrise Industry of the financial sector in the country and as compared to the developed countries and some other parts of the world, especially some of the Latin American countries; we have been a late starter in introducing a regulatory framework and a universal pension product. Indian Pension industry has so far largely covered organized sector, constituting slightly more than one tenth of the Indian population, a fact which in itself states the enormity of task ahead. Pension sector in India has been, so far, characterized by the 'Defined Benefit' (DB) pension schemes for the Government (both Central & State) employees as well as some institutional bodies; corporates., mostly from Public Sector Undertakings / Banks. EPFO has been the other provider of a pension product, albeit under 'Defined Contribution' (DC) category, where the EPFO Act mandates contribution for all organized sector employees drawing salary of Rs. 15000 or less. The other layer is provided by the myriad superannuation funds in the corporate sector.

The absence of a country-wide social security system (formal pension coverage being about 8% of the retirees within the private sector), the ageing population and social change in the society were the important considerations for introducing pension reform in the unorganised sector in our country. At the same time, fiscal stress of the defined benefit pension system was the major factor driving pension reforms for employees in the government sector. A series of discussion, public debate were held on the subject, involving the entire spectrum of the stakeholder and as a culmination, the Government of India established PFRDA as the regulatory body for the Pension Sector in India. PFRDA was also mandated by the Government of India to implement the National Pension System (NPS) initially for the new entrants to Central Government service, except to Armed Forces, which was later on extended to the State Governments and the all citizens of the country. The design features of the New Pension System (NPS) are self-sustainability, scalability, individual choice, and maximising outreach, low-cost yet efficient, and pension system based on sound regulation. To make NPS more attractive, finance minister in the Union Budget has made withdrawal on NPS tax-free upto 40% of the total corpus accumulated. 'Atal Pension Yojana' was introduced to cover low income group where the subscribers would receive the fixed minimum pension of Rs. 1000 per month, Rs. 2000 per month, Rs. 3000 per month, Rs. 4000 per month, Rs. 5000 per month, at the age of 60 years under 'Atal Pension Yojana', depending on their contributions, which itself would be based on the age of joining the APY. Therefore, the benefit of minimum pension would be guaranteed by the Government.

National Pension System (NPS)

NPS Schemes showed a robust overall growth of 46.92% in its AUM during the financial year, as shown in Table I. All the schemes witnessed double-digit growth. APY and Tier II scheme recorded high growth of 272.28% and 100.00% in terms of AUM.

Scheme CG for central government employees posted 39.28% growth in its AUM during the year. On the other hand, Scheme SG's assets grew by 47.63% during the year.

TABLE I : Asset Under Management (AUM) Break up in NPS - Growth Scheme Wise Position as on Year ended 31st March 2017

Amt. Rs. in Crores

Schemes	Actuals - AUM as on 31st March 2017			Growth in AUM			
	Mar-15	Mar-16	Mar-17	YoY Mar 16 over Mar 15		YoY Mar 17 over Mar 16	
				Amount	%	Amount	%
Equity Tier I	654.50	1,181.46	2,538.98	526.95	80.51%	1,357.53	114.90%
Equity Tier II	43.54	60.44	125.90	16.90	38.81%	65.46	108.31%
Equity Total	698.04	1,241.89	2,664.88	543.85	77.91%	1,422.99	114.58%
% Share in Total AUM	0.9%	1.0%	1.5%	1.5%		2.6%	
Bonds Tier I	468.76	887.78	1,684.95	419.02	89.39%	797.17	89.79%
Bonds Tier II	37.48	55.10	101.33	17.61	46.99%	46.23	83.91%
Bonds Total	506.24	942.88	1,786.28	436.63	86.25%	843.40	89.45%
% Share in Total AUM	0.6%	0.8%	1.0%	1.2%		1.5%	
G Sec Tier I	771.29	1,324.79	2,506.93	553.50	71.76%	1,182.15	89.23%
G Sec Tier II	35.68	54.35	112.43	18.66	52.31%	58.09	106.88%
G Sec Total	806.97	1,379.13	2,619.37	572.16	70.90%	1,240.23	89.93%
% Share in Total AUM	1.0%	1.2%	1.5%	1.5%		2.2%	
AIF Tier I	-	-	1.04	-	-	1.04	-
AIF Tier II	-	-	0.10	-	-	0.10	-
AIF Total	-	-	1.14	-	-	1.14	-
% Share in Total AUM	0.0%	0.0%	0.0%	0.0%		0.0%	
Sub Total Tier I	1,894.55	3,394.02	6,731.91	1,499.47	79.15%	3,337.89	98.35%
Sub Total Tier II	116.71	169.88	339.76	53.17	45.56%	169.88	100.00%
Tier I + Tier II	2,011.26	3,563.90	7,071.67	1,552.64	77.20%	3,507.77	98.42%
NPS Lite	1,605.72	2,107.55	2,639.21	501.83	31.25%	531.66	25.23%
APY	-	506.34	1,885.00	506.34	-	1,378.67	272.28%
Corporate CG	4,105.12	6,805.05	10,753.47	2,699.92	65.77%	3,948.43	58.02%
Sub Total (Pvt Sector)	7,722.11	12,982.84	22,349.35	4,754.39	61.57%	9,366.52	72.15%
% Share in Total AUM	9.6%	10.9%	12.8%	12.7%		16.8%	
Central Govt	36,736.77	48,134.78	67,040.05	11,398.01	31.03%	18,905.27	39.28%
% Share in Total AUM	45.4%	40.5%	38.4%	30.4%		33.9%	
State Govt	36,396.26	57,692.50	85,171.43	21,296.24	58.51%	27,478.93	47.63%
% Share in Total AUM	45.0%	48.6%	48.8%	56.9%		49.3%	
Sub Total (Govt.)	73,133.03	105,827.28	152,211.49	32,694.25	44.71%	46,384.21	43.83%
% Share in Total AUM	90.4%	89.1%	87.2%	87.3%		83.2%	
Grand Total	80,855.14	118,810.12	174,560.84	37,448.64	46.32%	55,750.72	46.92%

Notes for March 2017:

1. Damodar Valley Corporation **254.04** cr is shown under SG
2. Corporate CG does not include AUM of Damodar Valley Corporation

There was a healthy growth in the AUM of all the NPS Scheme for the unorganized / private sector as shown in Table II given below. The increase in AUM is significantly high at 46.9%, while in absolute terms, the corpus increased by Rs 55751 Crores.

TABLE II : Asset Under Management (AUM) Break up in NPS - Growth - Subscriber Class Wise Position as on Year ended 31st March 2017							Amount: Rupees in Crores	
Subscriber Class	Actuals - AUM as on 31st March 2017			Growth in AUM				
	Mar-15	Mar-16	Mar-17	YoY March 16 over Mar 15		YoY March 17 over Mar 16		
				Amount	%	Amount	%	
NPS Main	594.0	1272.9	3,125.92	678.9	114.3%	1853.0	145.6%	
% Share in Pvt. Sector	7.5%	9.7%	13.8%	14.2%		23.0%		
% Share in Total NPS	0.7%	1.1%	1.8%	1.8%		3.3%		
NPS Corporate	5674.8	9290.0	14,953.22	3615.3	63.7%	5663.2	61.0%	
% Share in Pvt. Sector	72.1%	70.5%	66.2%	75.4%		70.4%		
% Share in Total NPS	7.0%	7.8%	8.6%	9.7%		10.2%		
NPS Life	1605.7	2107.6	2,639.21	501.8	31.3%	531.7	25.2%	
% Share in Pvt. Sector	20.4%	16.0%	11.7%	10.5%		6.6%		
% Share in Total NPS	2.0%	1.8%	1.5%	1.3%		1.0%		
APY	0.0	506.3	1,885.00	506.3	-	1378.7	272.3%	
% Share in Pvt. Sector	0.0%	3.8%	8.3%	10.6%		17.1%		
% Share in Total NPS	0.0%	0.4%	1.1%	1.4%		2.5%		
Sub Total (Pvt Sector)	7874.5	13176.8	22603.4	4796.0	60.9%	8047.9	61.1%	
% Share in Total NPS	9.7%	11.1%	12.9%	12.8%		14.4%		
Central Govt	36736.8	48135.0	67,040.20	11398.2	31.0%	18905.2	39.3%	
% Share in Govt. Sector	50.3%	45.6%	44.1%	34.9%		40.8%		
% Share in Total NPS	45.4%	40.5%	38.4%	30.4%		33.9%		
State Govt	36243.9	57498.3	84,917.29	21254.4	58.6%	27419.0	47.7%	
% Share in Govt. Sector	49.7%	54.4%	55.9%	65.1%		59.2%		
% Share in Total NPS	44.8%	48.4%	48.6%	56.8%		49.2%		
Sub Total (Govt.)	72980.7	105633.3	151957.5	32652.6	44.7%	46324.2	43.9%	
% Share in Total NPS	90.3%	88.9%	87.1%	87.2%		83.1%		
Grand Total - NPS	80855.14	118810.12	174,560.84	37448.64	46.3%	55750.72	46.9%	

Note:

1. NPS main includes UoS Tier II AUM also
2. Corporate includes Damodar Valley Corporation

Employees' Provident Fund Organization (EPFO)

EPFO was set up in 1952, which administers the Employee Provident Fund (EPF), one of the world's biggest social security providers in terms of volumes. EPF is mandatory for the organised sector and companies/ organisations are required to statutorily comply with respect to all employees drawing wages up to Rs 15,000 per month. It offers a provident fund and a pension scheme. EPF requires equal contributions by 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 8.61 lakh establishments are covered; there are 1,585 lakh member accounts as on March 31, 2015 up from 7.96 lakh establishments and 1,178 lakh member accounts as on March 31, 2014 – a growth of 8.20% in the number of establishments and a growth of 34.51% in the number of member accounts.

As on 31st March 2015, EPFO's investment corpus increased to Rs 8.75 trillion from Rs 7.39 trillion a year ago, a year on year growth of 18.41%. EPF subscribers' accounts will be credited with interest at the rate of 8.65% for 2016-17, which is lower by 15 bps from the interest rate declared in 2015-16.

Performance of Pension Fund Managers

The position of the corpus / AUM with the Pension Fund Managers is shown in the following table:-

PFM	AUM (Rs. in Mn)			
	31-Mar-16	31-Mar-17	Increase in AUM	
			Amount	%
SBI Pension Fund Pvt. Ltd.	460188	667232	207,043	44.99
UTI Retirement Solution Ltd.	359182	520431	161,248	44.89
LIC Pension Fund Ltd.	355119	527093	171,974	48.43
ICICI Prudential Pension Funds Management Company Ltd.	7011	14415	7,403	105.59
Kotak Mahindra Pension Fund Ltd.	1727	3120	1,394	80.70
Reliance Capital Pension Fund Ltd.	1112	1690	578	51.93
HDFC	3762	11630	7,868	209.12
Total	1,188,102	1,745,610	557,508	46.92

All the PFMs continued to witness good growth in assets under management. All the PFMs maintained their relative ranking in terms of size of AUM with SBI PF having the largest corpus. HDFC Pension Management Company Limited registered the highest growth in AUM in percentage terms.

Funds of Central Government Employees
Performance: Scheme CG (as on March 31, 2017)

SCHEME CG												
PFM	Financial Year Return (%)								Trailing Return (%)			
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception
LIC	12.27	8.3	5.8	12.06	5.93	18.96	5.99	13.22	13.22	9.54	12.60	10.20
SBI	8.88	8.05	5.81	12.75	3.92	19.38	6.47	13.13	13.13	9.75	12.87	10.52
UTI	9.27	8.45	5.52	12.26	5.04	18.58	6.24	13.64	13.64	9.87	12.70	10.13

Note: Returns above 1 year periods are annualized

Funds of State Government Employees
Performance: Scheme SG (as on March 31, 2017)

SCHEME SG												
PFM	Financial Year Return (%)							Trailing Return (%)				
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception	
LIC	10.77	6.68	12.75	5.87	19.43	5.97	13.28	13.28	9.56	12.76	10.31	
SBI	9.88	6.8	13.01	3.83	19.80	6.62	13.24	13.24	9.88	13.09	10.14	
UTI	11.34	6.04	13.22	4.70	18.82	6.30	13.56	13.56	9.87	12.77	10.20	

Note: Returns above 1 year periods are annualized

Funds of Unorganized / Private Sector
Performance: Scheme E – Tier I (as on March 31, 2017)

SCHEME E - TIER I												
PFM	Financial Year Return (%)							Trailing Return (%)				
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception	
ICICI	11.83	-7.75	9.05	21.18	28.65	-7.37	21.42	21.42	6.05	13.11	11.78	
Kotak	11.89	-10.23	11.52	19.48	28.41	-6.88	22.23	22.23	6.69	13.49	10.68	
Reliance	10.77	-10.49	7.75	20.20	28.30	-7.26	20.35	20.35	5.64	12.71	10.81	
SBI	8.05	-7.18	8.24	20.68	28.37	-7.16	21.83	21.83	6.35	13.24	9.53	
UTI	8.35	-10.58	7.42	21.29	29.74	-6.72	22.93	22.93	7.08	14.16	11.64	
DSP	-	-	-	-	-	-	-	-	-	-	-	
HDFC	-	-	-	-	28.63	-7.47	22.96	22.96	6.66	13.53	16.60*	
LIC	-	-	-	-	27.51	-7.91	21.23	21.23	5.66	12.49	13.68*	
IDFC	8.89	-9.32	-	-	-	-	-	-	-	-	-	
S&P BSE SENSEX	10.94	-10.5	8.23	18.60	24.92	-9.33	16.88	16.88	2.93	9.77	12.81	
Nifty 50	11.14	-9.23	7.31	17.83	26.56	-8.84	18.55	18.55	3.94	11.01	13.04	

Returns above 1 year periods are annualized

* Inception dates: LIC → July 23, 2013; HDFC → August 01, 2013

Performance: Scheme E – Tier II (as on March 31, 2017)

SCHEME E - TIER II											
PFM	Financial Year Return (%)							Trailing Return (%)			
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	10.12	-10.41	9.79	21.14	28.66	-7.39	21.40	21.40	6.03	13.09	9.22
Kotak	11.66	-9.8	11.33	19.50	28.12	-6.67	21.94	21.94	6.68	13.40	9.80
Reliance	5.37	-10.37	7.79	20.67	28.25	-7.22	20.26	20.26	5.63	12.68	9.38
SBI	7.86	-7.51	8.26	20.37	28.64	-7.13	21.59	21.59	6.26	13.25	9.15
UTI	10.16	-10.74	7.63	20.51	31.04	-6.54	22.04	22.04	6.80	14.33	9.51
DSP	-	-	-	-	-	-	-	-	-	-	-
HDFC	-	-	-	-	22.77	-7.17	23.31	23.31	6.99	12.01	12.03*
LIC	-	-	-	-	21.46	-7.29	21.13	21.13	5.97	10.90	8.55*
IDFC	7.05	-9.46	-	-	-	-	-	-	-	-	-
S&P BSE SENSEX	10.94	-10.5	8.23	18.60	24.92	-9.33	16.88	16.88	2.93	9.77	7.82
CNX Nifty	11.14	-9.23	7.31	17.83	26.56	-8.84	18.55	18.55	3.94	11.01	8.36

Returns above 1 year periods are annualized

* Inception dates: LIC → August 12, 2013; HDFC → August 01, 2013

Performance: Scheme C – Tier I (as on March 31, 2017)

SCHEME C - TIER I											
PFM	Financial Year Return (%)							Trailing Return (%)			
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	9.41	11.43	14.22	6.22	15.72	9.77	12.48	12.48	11.12	12.63	11.24
Kotak	10.86	10.19	15.01	5.77	15.22	9.46	12.35	12.35	10.90	12.32	11.18
Reliance	8.12	8.13	13.89	6.89	15.04	9.12	11.99	11.99	10.55	12.03	9.73
SBI	12.66	11.07	14.27	5.24	15.70	8.72	11.96	11.96	10.33	12.09	11.26
UTI	9.2	10.19	13.41	6.14	15.09	8.83	12.04	12.04	10.42	11.96	9.91
DSP	-	-	-	-	-	-	-	-	-	-	-
HDFC	-	-	-	-	15.20	9.20	12.20	12.20	10.69	12.18	11.91*
LIC	-	-	-	-	15.43	9.46	11.64	11.64	10.54	12.15	11.90*
IDFC	6.26	9.15	-	-	-	-	-	-	-	-	-

Returns above 1 year periods are annualized

*Inception dates: LIC → July 23, 2013; HDFC → August 01, 2013

Performance: Scheme C – Tier II (as on March 31, 2017)

SCHEME C – TIER II											
PFM	Financial Year Return (%)							Trailing Return (%)			
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	10.74	12.27	13.6	6.10	15.91	9.46	12.36	12.36	10.90	12.55	11.18
Kotak	7.2	9.7	13.15	5.76	15.19	8.61	12.42	12.42	10.50	12.04	9.92
Reliance	7.28	7.86	12	6.04	14.97	8.80	11.96	11.96	10.37	11.88	9.53
SBI	14.46	10.73	12.69	4.15	15.62	8.60	11.73	11.73	10.15	11.95	10.93
UTI	7.62	11.4	12.95	5.75	15.30	8.57	11.65	11.65	10.10	11.81	10.09
DSP	-	-	-	-	-	-	-	-	-	-	-
HDFC	-	-	-	-	9.51	8.94	12.33	12.33	10.62	10.25	10.08*
LIC	-	-	-	-	12.37	8.26	12.31	12.31	10.27	10.97	10.21*
IDFC	6.02	10.02	-	-	-	-	-	-	-	-	-

Returns above 1 year periods are annualized

* Inception dates: LIC → August 12, 2013; HDFC → August 01, 2013

Performance: Scheme G – Tier I (as on March 31, 2017)

SCHEME G - TIER I											
PFM	Financial Year Return (%)							Trailing Return (%)			
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	7.71	6.07	13.84	1.51	20.75	6.97	12.18	12.18	9.54	13.16	9.14
Kotak	9.14	6.14	13.61	0.84	19.63	7.54	12.63	12.63	10.06	13.16	9.08
Reliance	7.65	5.63	13.74	0.89	20.24	7.22	12.50	12.50	9.82	13.19	8.75
SBI	12.25	5.46	13.48	0.23	20.73	7.16	12.44	12.44	9.77	13.31	10.18
UTI	12.52	3.75	13.57	0.93	20.18	7.16	11.66	11.66	9.38	12.87	8.86
DSP	-	-	-	-	-	-	-	-	-	-	-
HDFC	-	-	-	-	19.88	6.77	12.23	12.23	9.47	12.83	11.36*
LIC	-	-	-	-	20.93	6.50	14.31	14.31	10.34	13.76	12.68*
IDFC	6.97	5.9	-	-	-	-	-	-	-	-	-

Returns above 1 year periods are annualized

* Inception dates: LIC → July 23, 2013; HDFC → August 01, 2013

Performance: Scheme G – Tier II (as on March 31, 2017)

SCHEME G - TIER II											
PFM	Financial Year Return (%)							Trailing Return (%)			
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception
ICICI	6.43	6.36	14.36	1.12	20.70	7.05	12.14	12.14	9.57	13.16	9.33
Kotak	6.40	5.37	12.86	1.18	19.90	7.66	12.41	12.41	10.01	13.21	8.96
Reliance	4.68	5.76	13.68	0.87	20.44	7.37	12.36	12.36	9.84	13.26	9.09
SBI	11.82	5.31	13.47	0.39	20.57	7.28	12.55	12.55	9.89	13.34	10.43
UTI	16.44	3.81	13.52	0.51	20.27	7.28	11.96	11.96	9.60	13.04	10.01
DSP	-	-	-	-	-	-	-	-	-	-	-
HDFC	-	-	-	-	19.45	6.83	12.11	12.11	9.44	12.68	12.01*
LIC	-	-	-	-	19.94	6.75	13.68	13.68	10.16	13.33	12.97*
IDFC	6.00	7.22	-	-	-	-	-	-	-	-	-

Returns above 1 year periods are annualized

* Inception dates: LIC → August 12, 2013; HDFC → August 01, 2013

Performance: Scheme A – Tier I (as on March 31, 2017)

SCHEME A - TIER I											
PFM	Financial Year Return (%)							Trailing Return (%)			
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception [#]
ICICI	-	-	-	-	-	-	-	-	-	-	2.36
Kotak	-	-	-	-	-	-	-	-	-	-	2.18
Reliance	-	-	-	-	-	-	-	-	-	-	1.94
SBI	-	-	-	-	-	-	-	-	-	-	2.95
UTI	-	-	-	-	-	-	-	-	-	-	2.83
DSP	-	-	-	-	-	-	-	-	-	-	-
HDFC	-	-	-	-	-	-	-	-	-	-	2.85
LIC	-	-	-	-	-	-	-	-	-	-	2.51
IDFC	-	-	-	-	-	-	-	-	-	-	-

[#] Less than one year period

Performance: Scheme A – Tier II (as on March 31, 2017)

SCHEME A - TIER II											
PFM	Financial Year Return (%)							Trailing Return (%)			
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception [#]
ICICI	-	-	-	-	-	-	-	-	-	-	2.34
Kotak	-	-	-	-	-	-	-	-	-	-	2.19
Reliance	-	-	-	-	-	-	-	-	-	-	1.19
SBI	-	-	-	-	-	-	-	-	-	-	2.72
UTI	-	-	-	-	-	-	-	-	-	-	2.88
DSP	-	-	-	-	-	-	-	-	-	-	-
HDFC	-	-	-	-	-	-	-	-	-	-	2.03
LIC	-	-	-	-	-	-	-	-	-	-	1.27
IDFC	-	-	-	-	-	-	-	-	-	-	-

[#] Less than one year period

Performance: Scheme NPS Lite (as on March 31, 2017)

Scheme NPS Lite											
PFM	Financial Year Return (%)						Trailing Return (%)			Since Inception	
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr		
Kotak	-	14.58	5.18	19.23	6.37	12.98	12.98	9.62	12.74	11.26	
LIC	10.1	13.02	5.91	19.52	5.72	13.58	13.58	9.58	12.80	11.03	
SBI	8.7	13.83	4.11	19.52	6.30	13.37	13.37	9.78	12.93	11.21	
UTI	8.55	13.18	4.90	19.20	5.83	13.60	13.60	9.65	12.74	11.06	

For Kotak inception date is Jan 31, 2012.

Returns above 1 year periods are annualized

Performance: Scheme Corporate – CG (as on March 31, 2017)

Scheme Corporate CG										
PFM	Financial Year Return (%)					Trailing Return (%)				
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception	
LIC	-	5.63	19.53	5.72	13.87	13.87	9.72	12.90	10.97	
SBI	-	3.31	19.99	6.54	13.36	13.36	9.90	13.16	10.77	
UTI	-	-	-	-	-	-	-	-	-	

Returns above 1 year periods are annualized

UTI Scheme Corporate CG ended in the financial year 2013-14

Performance: Atal Pension Yojana (as on March 31, 2017)

Atal Pension Yojana									
PFM	Financial Year Return (%)					Trailing Return (%)			
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	1-Yr	2-Yr	3-Yr	Since Inception
LIC	-	-	-	-	13.71	13.71	-	-	11.43
SBI	-	-	-	-	13.79	13.79	-	-	9.89
UTI	-	-	-	-	14.24	14.24	-	-	11.60

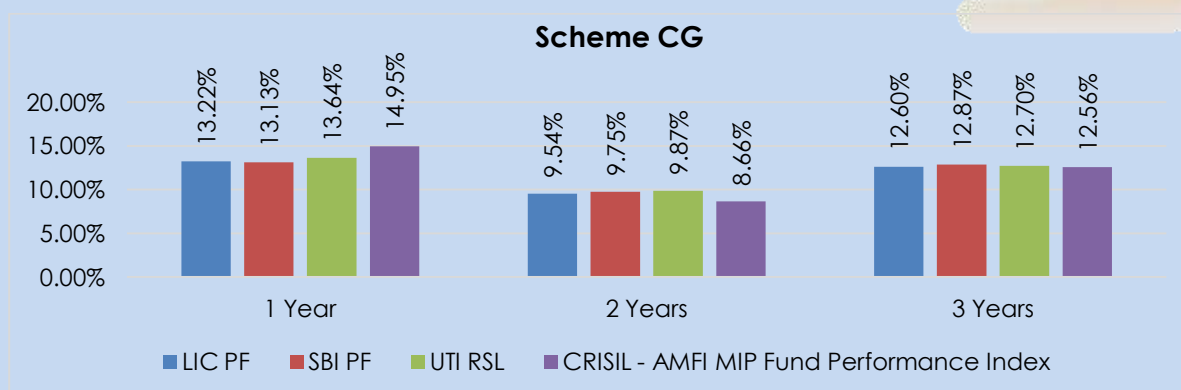
Returns above 1 year periods are annualized

Performance of PFMs vis-à-vis Mutual Fund Industry

To assess the performance of NPS schemes vis-à-vis mutual funds, returns delivered by respective PFMs in each category has been compared with relevant CRISIL AMFI MF performance indices. CRISIL – AMFI MF Performance Indices are industry level indices that track the performance of different categories of mutual funds across time frames and market cycles. The key highlights of performance comparison of NPS schemes vis-à-vis CRISIL AMFI MF performance indices as on March 31, 2017 are as follows:

- All PFMs in Scheme CG, Scheme SG, Scheme NPS Life, and Scheme Corporate CG have underperformed the CRISIL - AMFI MIP Fund Performance Index for one year, while outperformed the CRISIL - AMFI MIP Fund Performance Index for two year and three year periods.
- Equity schemes (Scheme E – Tier I and Scheme E – Tier II) of all PFMs have underperformed CRISIL - AMFI Large Cap Fund Performance Index in one year, two year and three year periods, except Scheme E – Tier I in UTI RSL and Scheme E – Tier II in HDFC PF which have outperformed CRISIL - AMFI Large Cap Fund Performance Index in the two year period.
- Corporate debt schemes (Scheme C – Tier I and Scheme C – Tier II) of all PFMs have delivered superior returns to CRISIL - AMFI Income Fund Performance Index in one year, two year and three year periods, except Scheme C – Tier II in HDFC PF, which underperformed CRISIL - AMFI Income Fund Performance Index in three year period.
- Gilt schemes (Scheme G – Tier I and Scheme G – Tier II) of all PFMs except LIC PF underperformed the CRISIL - AMFI Gilt Fund Performance Index in the one year period, while all the PFMs outperformed the CRISIL - AMFI Gilt Fund Performance Index in the two year and three year periods.

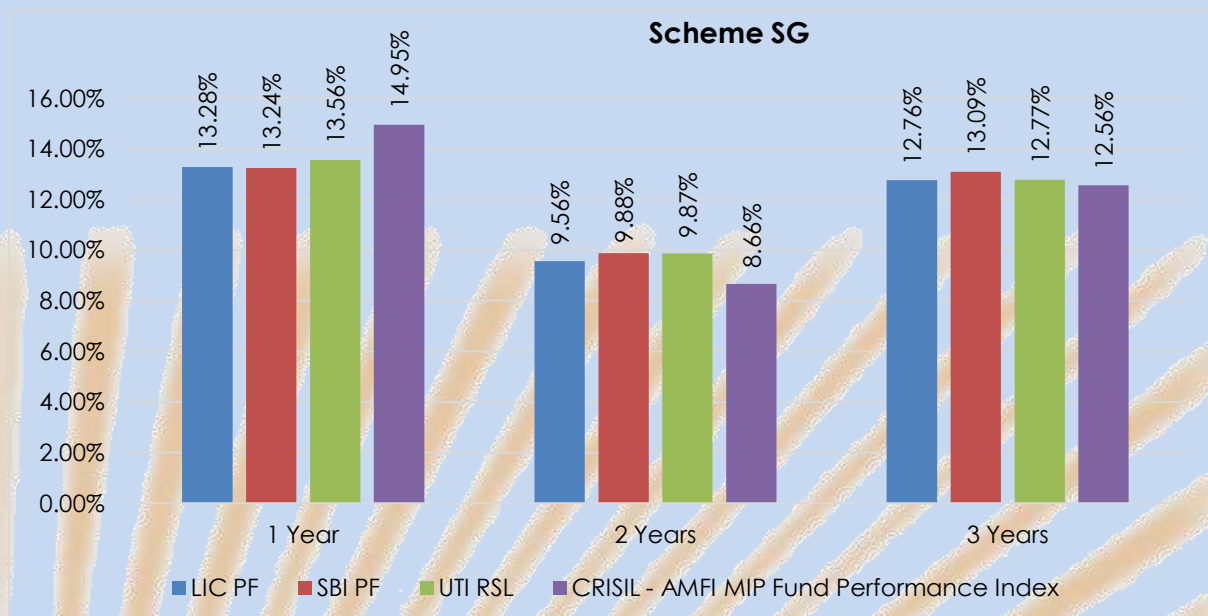
Performance: Scheme CG Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns

In scheme CG, all the PFMs underperformed the CRISIL - AMFI MIP Fund Performance Index for one year, while all PFMs outperformed the CRISIL - AMFI MIP Fund Performance Index for two year and three year periods.

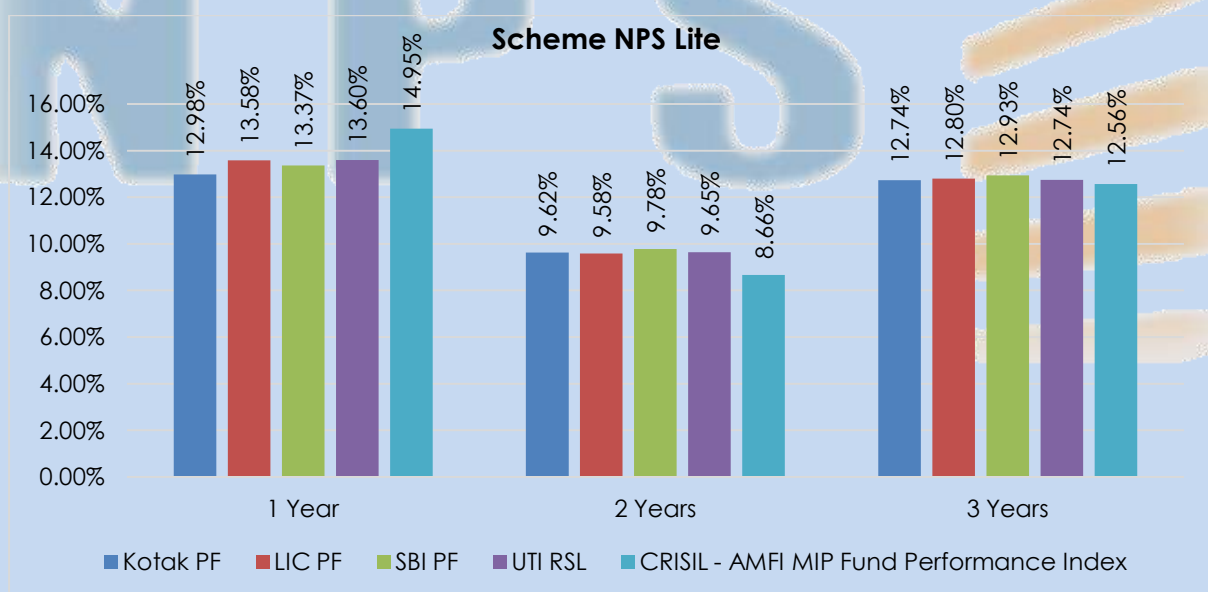
Performance: Scheme SG Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns

In scheme SG, all the PFMs underperformed the CRISIL - AMFI MIP Fund Performance Index for one year, while all PFMs outperformed the CRISIL - AMFI MIP Fund Performance Index for two year and three year periods.

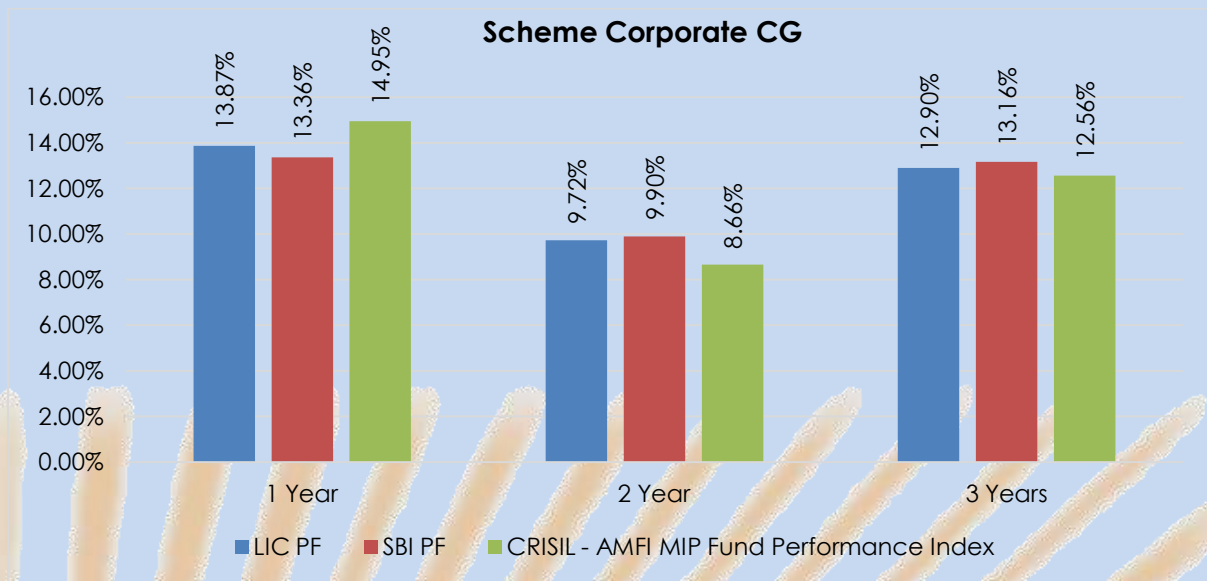
Performance: Scheme NPS Lite Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns.

In scheme NPS Lite, all the PFMs underperformed the CRISIL - AMFI MIP Fund Performance Index for one year, while all PFMs outperformed the CRISIL - AMFI MIP Fund Performance Index for two year and three year periods.

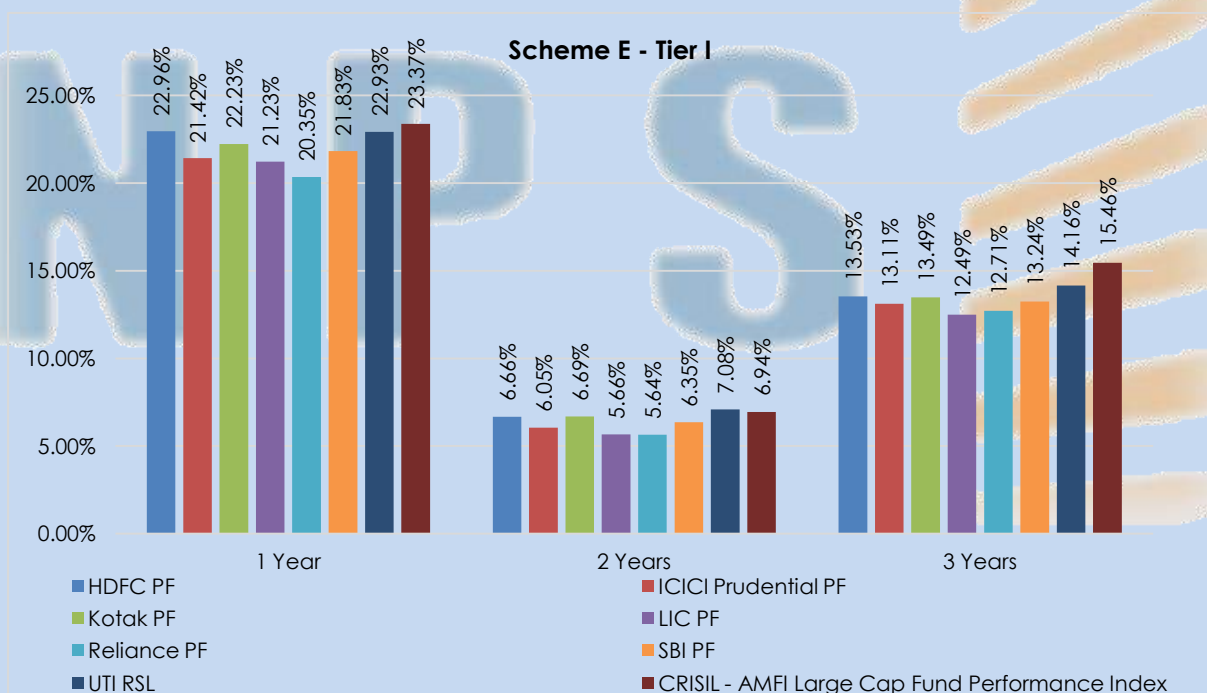
Performance: Scheme Corporate CG Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns.

In scheme corporate CG, all the PFMs underperformed the CRISIL - AMFI MIP Fund Performance Index for one year, while all PFMs outperformed the CRISIL - AMFI MIP Fund Performance Index for two year and three year periods.

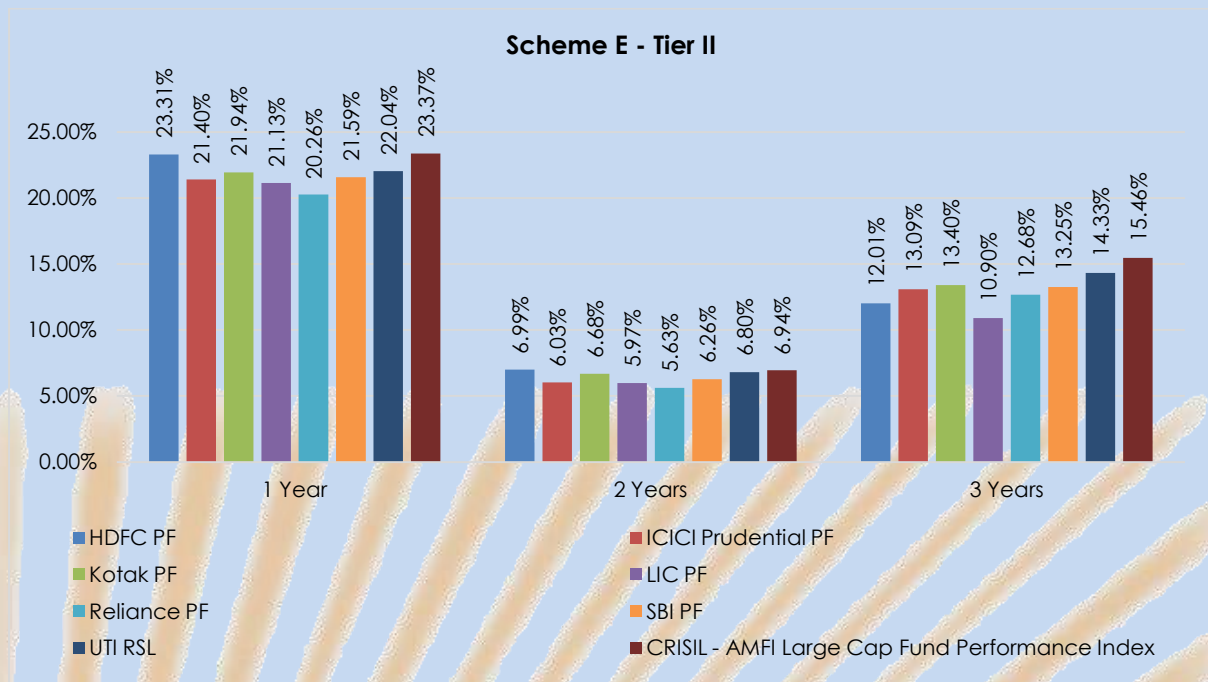
Performance: Scheme E – Tier I Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns

In scheme E – Tier I, all the PFMs underperformed CRISIL - AMFI Large Cap Fund Performance Index in one year, two year and three year periods, except UTI RSL which has outperformed CRISIL - AMFI Large Cap Fund Performance Index in the two year period.

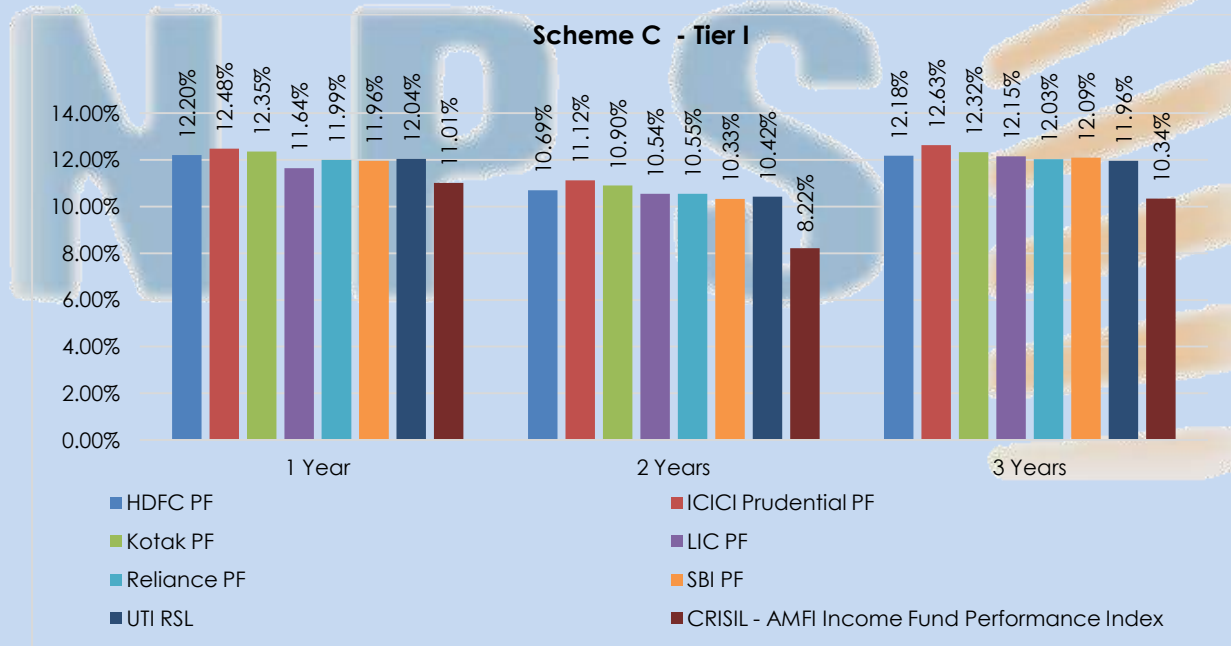
Performance: Scheme E – Tier II Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns

In scheme E – Tier II, all the PFMs underperformed CRISIL - AMFI Large Cap Fund Performance Index in one year, two year and three year periods, except HDFC PF which has outperformed CRISIL - AMFI Large Cap Fund Performance Index in the two year period.

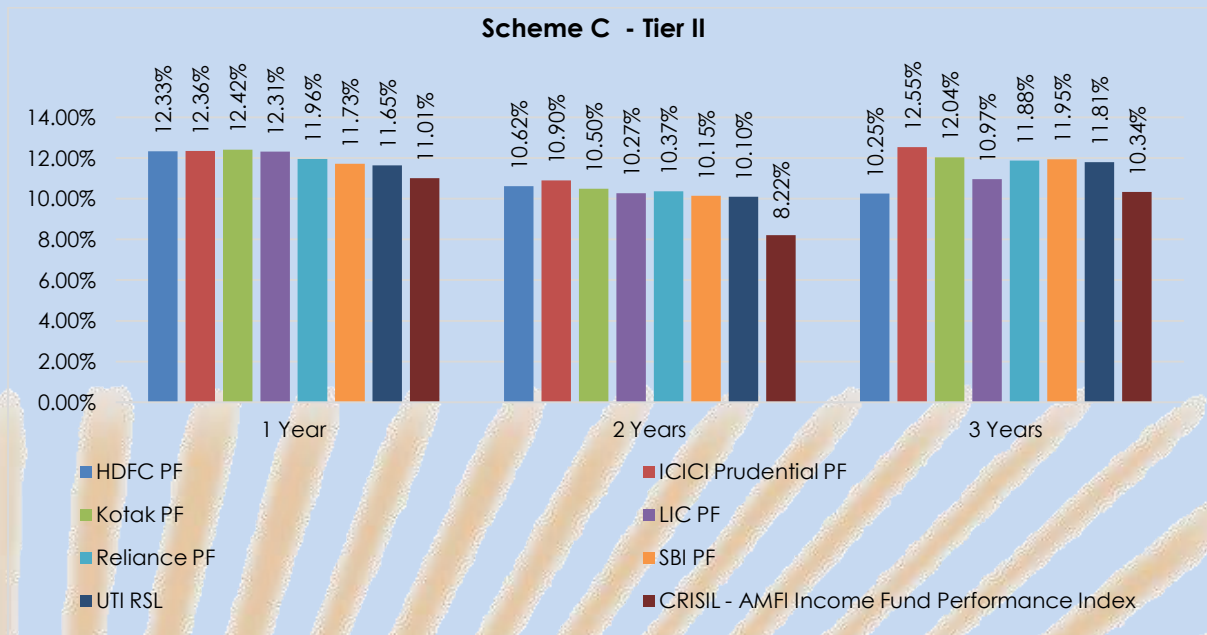
Performance: Scheme C – Tier I Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns

In scheme C – Tier I, all the PFMs outperformed the CRISIL - AMFI Income Fund Performance Index in the one year, two year and three year periods.

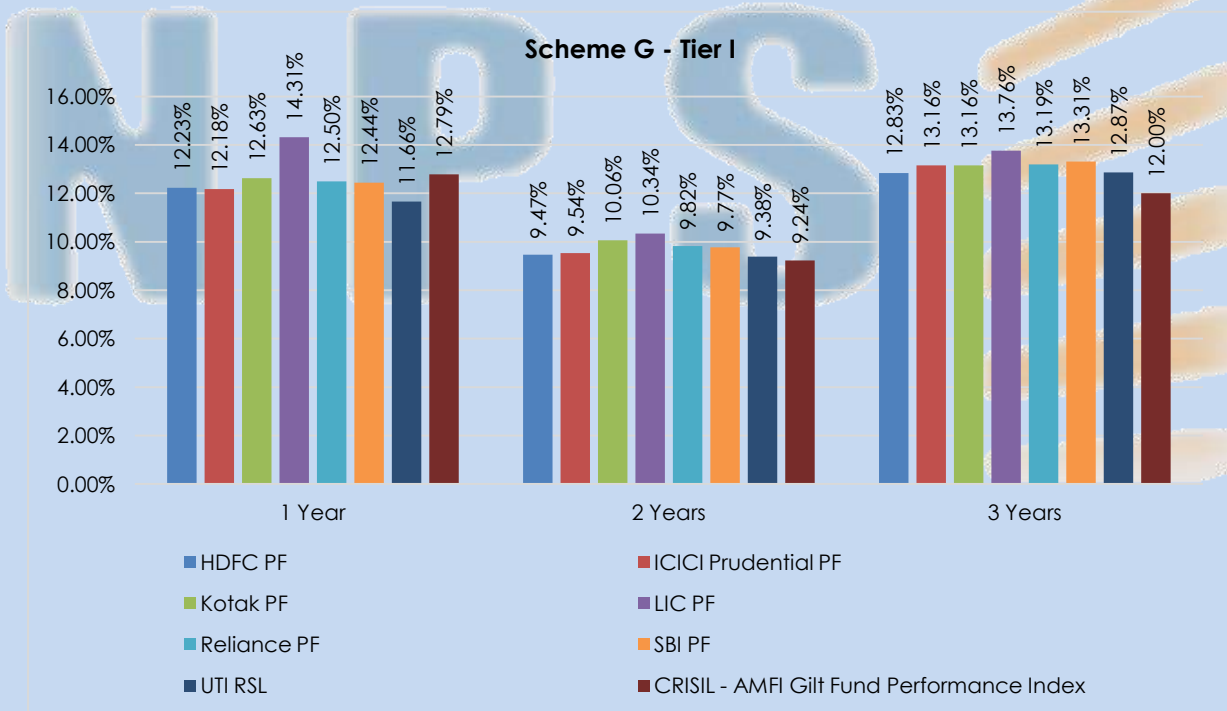
Performance: Scheme C – Tier II Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns

In scheme C – Tier II, all the PFMs outperformed the CRISIL - AMFI Income Fund Performance Index in the one year, two year and three year periods, except HDFC PF which underperformed CRISIL - AMFI Income Fund Performance Index in three year period.

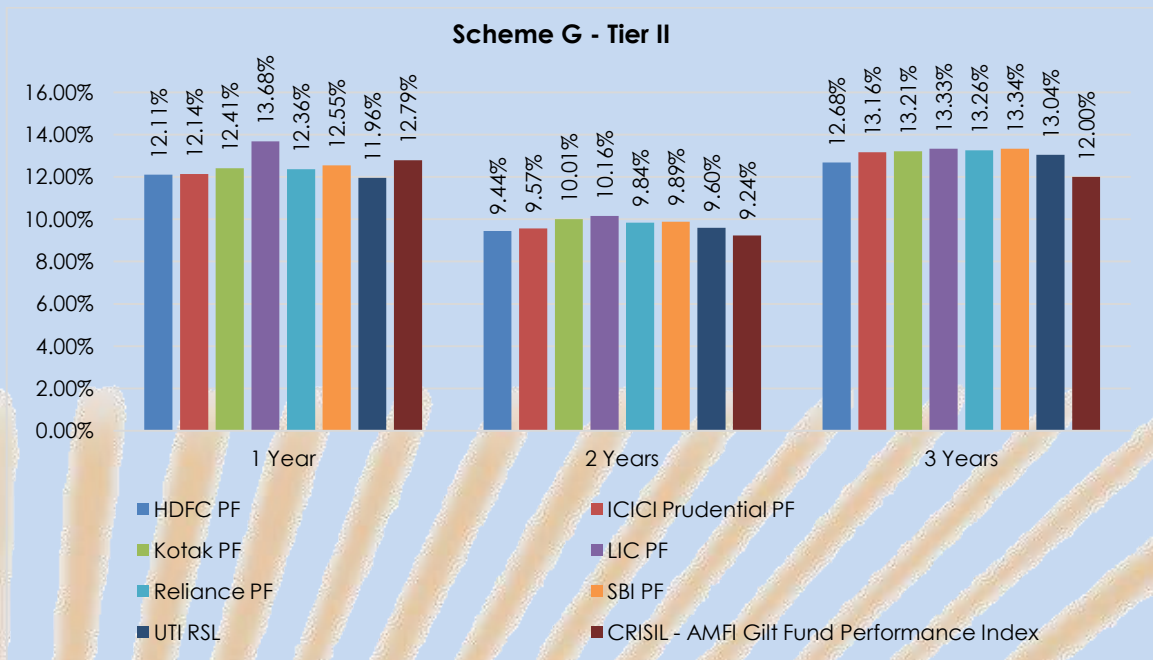
Performance: Scheme G – Tier I Vs. mutual fund industry (as on March 31, 2017)



Returns for period greater than one year are compounded annualized returns

In scheme G – Tier I, all the PFMs except LIC PF underperformed the CRISIL - AMFI Gilt Fund Performance Index in the one year period, while all the PFMs outperformed the CRISIL - AMFI Gilt Fund Performance Index in the two year and three year periods.

Performance: Scheme G – Tier II Vs. mutual fund industry (as on March 31, 2017)

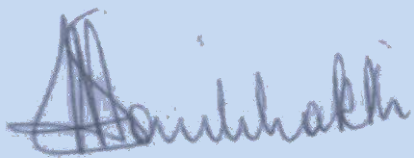


Returns for period greater than one year are compounded annualized returns

In scheme G – Tier II, all the PFMs except LIC PF underperformed the CRISIL - AMFI Gilt Fund Performance Index in the one year period, while all the PFMs outperformed the CRISIL - AMFI Gilt Fund Performance Index in the two year and three year periods.

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 NPS Trust and place on record our appreciation for the entire team of staff of the NPS Trust.



Shailesh Haribhakti

Chairman of the Board of Trustees

National Pension System Trust

Date: 13th July 2017

Mumbai

अनुबंधक- I / ANNEXURE- I

एन पी एस ट्रस्ट के लेखा परीक्षक की रिपोर्ट व अंकेक्षित खाते
31 मार्च 2017 को समाप्त होने वाले वित्तीय वर्ष के लिए

**Auditor's Report and Audited Accounts of NPS Trust
for the Financial year ended 31st March 2017**

INDEPENDENT AUDITORS' REPORT

THE TRUSTEES OF NATIONAL PENSION SYSTEM (NPS) TRUST

Report on the Financial Statements

We have audited the accompanying financial statements of M/s **National Pension System (NPS) Trust** which comprises the Balance Sheet as at 31st March, 2017 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,2017 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 RMA & Associates
(Chartered Accountants)
FRN. 000978N/N500062

SD/-

Deepak Gupta
Partner
M. No.: 081535

Place: New Delhi
Date: 14/7/2017

N P S

NATIONAL PENSION SYSTEM (NPS)TRUST GENERAL ADMINISTRATION

BALANCE SHEET AS AT 31.03.2017

Particulars	Note	(Amount in Rs.)	
		As at March 31, 2017	As at March 31, 2016
<u>CORPUS / CAPITAL FUND AND LIABILITIES</u>			
Corpus / Capital Fund	2.1	125,453,973	24,618,318
Current Liabilities and Provisions	2.2	7,167,743	4,250,617
Total		132,621,716	28,868,934
<u>ASSETS</u>			
Fixed Assets	2.3	166,169	82,651
Current Assets, Loans and Advances	2.4	132,455,547	28,786,283
Total		132,621,716	28,868,934
Significant accounting policies and notes on accounts	1&2		

Note: The notes referred to above are an integral part of the balance sheet.

As per our Report of even Date Attached

For RMA & Associates LLP

Chartered Accountants

Firm Registration Number: 000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS)TRUST GENERAL ADMINISTRATION
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2017

Particulars	Note	(Amount in Rs.)	
		As at March 31, 2017	As at March 31, 2016
<u>INCOME</u>			
Grants / Subsidies	2.5	-	1,400,000
Recovery of Fee/Charges from Subscribers	2.6	147,867,128	45,287,226
Interest Receipts	2.7	2,664,901	51,861
Other Receipts	2.8	75,099	100,000
Total (A)		150,607,129	46,839,087
<u>EXPENDITURE</u>			
Establishment Expenses	2.9	40,039,513	18,498,270
Other Administrative Expenses	2.10	9,666,605	4,826,608
Bank Charges	2.11	377	182
Depreciation	2.3	64,979	15,405
Total (B)		49,771,474	23,340,465
Balance being surplus (deficit) before exceptional and extra-ordinary items (A-B)		100,835,655	23,498,623
<u>EXCEPTIONAL AND EXTRA-ORDINARY ITEMS</u>			
Balance being surplus (deficit) carried to corpus / capital fund		100,835,655	23,498,623
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 RMA & Associates LLP	For and on Behalf of National Pension System(NPS) Trust		
<i>Chartered Accountants</i>			
Firm Registration Number: 000978N/N500062			
SD/- Deepak Gupta <i>Partner</i> Membership Number: 081535	SD/- Shailesh Haribhakti <i>Chairman</i>	SD/- Kamal Chaudhry <i>Chief Executive Officer</i>	
Place: New Delhi Date: 14.07.2017	Place: Mumbai Date: 13.07.2017	Place: Mumbai Date: 13.07.2017	

**NATIONAL PENSION SYSTEM (NPS)TRUST GENERAL ADMINISTRATION
RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31-03-2017**

RECEIPTS	(Amount in Rs.)		PAYMENTS	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016		As at March 31, 2017	As at March 31, 2016
<u>I. Opening Balances</u>			<u>VI. Expenses</u>		
a) Cash in hand	3,435	3,865	a) Establishment Expenses	39,133,127	18,498,270
b) Bank Balance - Saving account	544,964	1,140,674	b) Administrative Expenses	7,678,007	1,173,213
<u>II. Grants Received</u>			<u>VII. Finance Charges</u>		
a) Grant Received from PFRDA	-	1,400,000	a) Bank charges	377	182
<u>III. Recovery of Fee/Chrges from Subscribers</u>	134,299,838	17,544,703	<u>VIII. Fixed Assets Purchased</u>	148,497	21,575
<u>IV. Other Receipts</u>			<u>IX. Closing Balances</u>		
a) Tender Fee	75,000	100,000	a) Cash in hand	10,000	3,435
b) Miscellianeous Receipt	99	536	b) Bank Balances-Savings account	2,041,953	544,964
<u>V. Interest Received</u>			c) Fixed Deposit	86,500,000	-
a) On Saving Bank deposits	588,625	51,861			
Total	135,511,961	20,241,639	Total	135,511,961	20,241,639

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 RMA & Associates LLP

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

Chartered Accountants

Firm Registration Number: 000978N/N500062

SD/-
Deepak Gupta
Partner
Membership
Number: 081535
Place: New Delhi
Date: 14.07.2017

SD/-
Shailesh Haribhakti
Chairman

Place: Mumbai
Date: 13.07.2017

SD/-
Kamal Chaudhry
Chief Executive Officer

Place: Mumbai
Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS) TRUST GENERAL ADMINISTRATION
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Background:

The National Pension System Trust (NPS Trust) earlier New Pension System Trust was established by Pension Fund Regulatory and Development Authority (PFRDA) on 27th February, 2008 with the execution of the 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.

Upon Notification of the PFRDA (NPST) Regulation 2015 by PFRDA Dt. 12.03.2015 the Objectives, Power and Functions of the Board of Trustees are governed under regulation 9 and 11 respectively of the aforesaid regulation.

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 hitherto 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

Grant/Subsidies are accounted for on realization basis. The expenses of NPS Trust is borne by government Grants received(if any). For the FY 2016-17, no grant was received from PFRDA/Govt.

1.5 Recovery of Fee/Charges from Subscribers

Fee/Charges are being recovered from the subscribers of schemes for meeting the expenses of NPS Trust @0.01% p.a w.e.f 01.11.2015 as instructed by PFRDA through Letter No.PFRDA/5/NPST/1 dated 16.10.2015.

1.6 Reimbursement to PFRDA

PFRDA claimed reimbursement of Rs. 3,38,57,953/- for the F Y 2016-17, towards rent, electricity (being 1 portion of 3rd floor used by NPS Trust) & salary, allowances and other reimbursements to the officials of PFRDA engaged with NPS Trust for the period April 2016 to March 2017. Accordingly an amount of Rs. 3,01,98,151/- was reimbursed to PFRDA in the FY 2016-17 and Rs. 36,59,802/- the amount reimbursable for the month of February/March 2017 was shown under provisions in the Balance Sheet.

1.7 Other revenue recognition

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

As per our Report of even Date Attached

For **RMA & Associates LLP**

Chartered Accountants

Firm Registration Number:

000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

1.8 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.

1.9 Corpus/Capital Fund:

PFRDA established NPS Trust on 27th February 2008 and contributed to the Trustees a sum of Rs. 1,00,000/- (Rupees one lakh only) being the initial contribution towards the corpus of the Trust. In schedule 2.1 of the Balance sheet the total corpus/capital fund for the FY 2016-17 are bifurcated and shown as initial corpus and accumulated corpus (Rs.1,00,000 + Rs. 2,45,18,318). The corresponding figures for the FY 2015-16 is Rs. 11,19,695/- (Initial Corpus – Rs. 1, 00,000 and accumulated corpus – Rs. 10,19,695).

1.10 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.

1.11 Provisions and Contingencies

Provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an 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.

1.12 Cash and Cash Equivalents

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

1.13 Change in accounting policy

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

1.14 Previous year figures are rearranged/regrouped wherever necessary

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 RMA & Associates LLP

Chartered Accountants

Firm Registration Number:

000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS)TRUST GENERAL ADMINISTRATION

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

2. Notes to Accounts

2.1 : Corpus / Capital fund

Particulars	(Amount in Rs.)			
		As at March 31, 2017		As at March 31, 2016
Initial Corpus	100,000		100,000	
Accumulated Corpus	24,518,318	24,618,318	1,019,695	1,119,695
Add : Contributions towards Corpus / Capital fund				
Add / (Deduct) : Balance of Surplus/ (Deficit) transferred		100,835,655		23,498,623
Balance as at the end of the year		125,453,973		24,618,318

2.2 : Current liabilities and provisions

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
A. Current liabilities		
Statutory liabilities :		
- TDS payable	16,875	4,450
Other liabilities :		
- Expenses payable	3,491,067	1,360,448
Total (A)	3,507,942	1,364,898
B. Provisions		
Provisions towards Payment to PFRDA for		
-Electricity Payable	34,720	
-Rent Payable	845,843	
-Salary and Other allowances payable	2,779,239	2,885,719
Total (B)	3,659,802	2,885,719
Total (A + B)	7,167,743	4,250,617

As per our Report of even Date Attached

For RMA & Associates LLP

Chartered Accountants

Firm Registration Number: 000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS) TRUST GENERAL ADMINISTRATION
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

2.2b : TDS Payable

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
TDS contractor payable on		3,725
- Media Bill	16,669	
- AG International	206	
TDS Professional Payable		725
Total	16,875	4,450

2.2c : Expenses payable

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Account maintenance charges	36,800	7,577
Audit fee payable	20,125	20,038
Taxi Hiring Charges for CEO - Payable	50,965	-
Books & periodicals - payable	284	371
Manpower charges payable	212,948	208,578
Postage & Courier Payable	-	9,498
Internet Charges	-	959
Resources Provided by PFRDA Payable	3,659,802	1,112,551
Telephone & mobile expenses payable	2,820	876
Reimbursable Telephone Exp. CEO	1,958	-
CRISIL - Payable	1,458,333	-
Advertisement Exp. - Payable	800,448	-
Arrear Salary Payable	906,386	-
Total	7,150,869	1,360,448

As per our Report of even Date Attached

For RMA & Associates LLP

Chartered Accountants

Firm Registration Number: 000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS)TRUST GENERAL ADMINISTRATION

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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. Furniture's and fixtures	10%	102,510		-	102,510	23,827	7,868	-	31,695	70,815	78,683
2. Computer / Peripherals	60%	672,949	88,497	-	761,446	668,981	52,610	-	721,591	39,855	3,968
3. Office Equipments	15%	-	60,000		60,000		4,500		4,500	55,500	-
Total of current year		775,459	148,497	-	923,956	692,808	64,979	-	757,788	166,169	82,651
Previous year		753,884	21,575	-	775,459	677,403	15,405	-	692,808	82,651	76,481

As per our Report of even Date Attached

For RMA & Associates LLP

Chartered Accountants

Firm Registration Number: 000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS)TRUST GENERAL ADMINISTRATION

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

2.4 : Current assets, loan and advances

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
A. Current assets :		
Cash balances in hand (including cheques/drafts and imprest)	10,000	3,435
Bank Balances :		
- With Scheduled Banks : saving account	2,041,953	544,964
Fixed Deposits	86,500,000	-
Total (A)	88,551,953	548,399
B. Loans, advances and other assets		
Advances and other amounts recoverable in cash or in kind or for value to be received:	-	-
Fee/Charges recoverable from Subscribers	41,309,814	27,742,523
Advance to NICS I for Website Redesigning	488,018	488,018
Accrued Interest On Fixed Deposit	2,076,276	-
Advance For Meeting	25,815	-
Total (B)	43,899,922	28,230,541
C. Prepaid Expenses		
Books & Periodicals Exp.	3,672	7,343
Total (C)	3,672	7,343
Total (A + B + C)	132,455,547	28,786,283

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

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
(Irrevocable Grants & Subsidies Received)		
Grant Received From PFRDA	-	1,400,000
Total	-	1,400,000

As per our Report of even Date Attached

For RMA & Associates LLP

Chartered Accountants

Firm Registration Number: 000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS)TRUST GENERAL ADMINISTRATION
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

2.6 : Recovery Of Fee/Charges From Subscribers

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Recovery of Fee/Charges from Subscribers	106,557,315	17,544,703
Fee/Charges recoverable from Subscribers	41,309,814	27,742,523
Total	147,867,128	45,287,226

2.7 : Interest Receipts

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Interest on Saving Bank Account:		
- With I.O.B	588,625	51,861
Accrued Interest (FD + Saving A/c 888)	2,076,276	-
Total	2,664,901	51,861

2.8 : Other Receipts

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Tender Fee Received	75,000	100,000
Miscellaneous Incomes (Reversal of Excess Provision on Reliance Data Card)	99	-
Total	75,099	100,000

2.9 : Establishment expenses

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Salaries and wages	5,681,862	-
Resources Provided by PFRDA	33,857,953	18,498,270
Medical reimbursement	30,067	-
Annual Health Checkup	13,500	-
Local conveyance allowance	38,974	-
Other allowances and re-imburements	417,157	-
Total	40,039,513	18,498,270

As per our Report of even Date Attached

For RMA & Associates LLP

Chartered Accountants

Firm Registration Number: 000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS)TRUST GENERAL ADMINISTRATION
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

2.10 : Other administrative expenses

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Sitting fee	186,000	175,500
Telephone & mobile expenses	35,879	5,979
Postage, telegram and courier charges	153,318	69,102
Printing and stationary	97,602	66,130
Travelling and conveyance expenses	1,029,800	539,073
Office expenses	32,154	6,219
Staff welfare expenses	18,487	4,941
Meeting & conference expenses	369,301	227,301
Books & periodicals	10,963	8,031
Vehicle hire charges/running & maintenance	531,602	103,751
Professional charges	69,000	57,250
Audit fees	36,887	20,038
Manpower hiring charges	2,386,340	1,323,087
Consultancy charges	2,503,458	2,127,609
Computer repair & maintenance	83,915	65,299
Legal fees	2,000	720
Internet charges	-	10,620
Repair and maintenance	15,586	10,238
Website Hosting Charges	116,513	5,721
Advertisement Expenses	1,815,301	-
Insurance Expenses	172,500	-
Total	9,666,605	4,826,608

As per our Report of even Date Attached

For RMA & Associates LLP

Chartered Accountants

Firm Registration Number: 000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

Place: New Delhi

Date: 14.07.2017

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

SD/-

Shailesh Haribhakti

Chairman

Place: Mumbai

Date: 13.07.2017

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: Mumbai

Date: 13.07.2017

NATIONAL PENSION SYSTEM (NPS) TRUST GENERAL ADMINISTRATION

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

2.11 : Bank charges

Particulars	(Amount in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Bank charges	377	182
Total	377	182

2.12 : Taxation

- a). 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.
- b). As per the provisions of Section 197A(1E), no deduction of tax shall be made from any payment to any person for, or on the behalf of, the New Pension System (NPS) Trust referred to in clause 44 of Section 10.
- c). Recent circular no. 18/20 [F.No. 385/01/2015-IT(B)], dated 29-05-2017 issued by CBDT exempt National Pension System (NPS) Trust to file Income Tax Return.

2.13 : Government Grant

Particulars	As at March 31, 2017	As at March 31, 2016
Opening Balance of Government Grant	-	1,119,695
Add : Grant Received during the year	-	1,400,000
Less : Utilisation of Grant during the year (Net off)	-	2,519,695
Closing Balance of Government Grant	-	-

As per our Report of even Date Attached

For RMA & Associates LLP

Chartered Accountants

Firm Registration Number:
000978N/N500062

SD/-

Deepak Gupta

Partner

Membership Number: 081535

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

SD/-

Shailesh Haribhakti

Chairman

SD/-

Kamal Chaudhry

Chief Executive Officer

Place: New Delhi

Date: 14.07.2017

Place: Mumbai

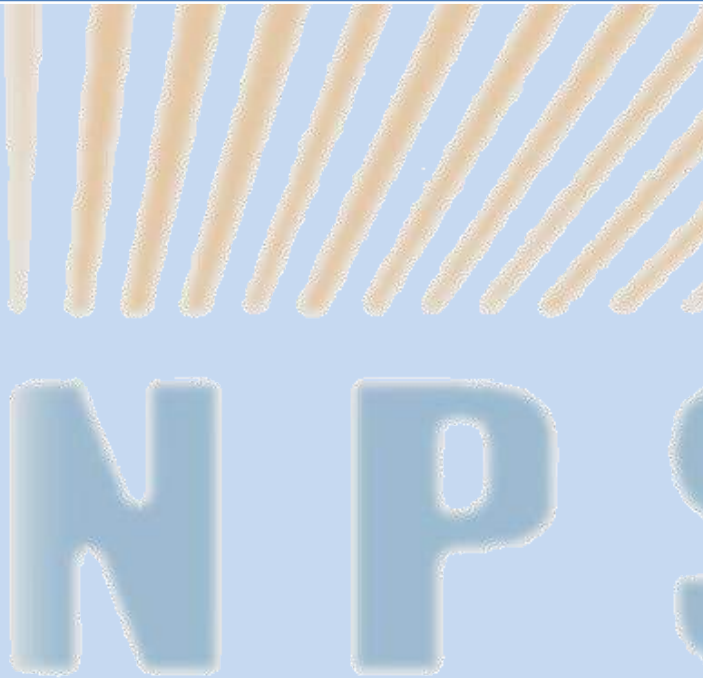
Date: 13.07.2017

Place: Mumbai

Date: 13.07.2017

2017

Consolidated (Combined) NPS Scheme Financials



National Pension System Trust

Contents

Report of Chartered Accountants.....	56
Combined Balance Sheet of all Pension Schemes	58
Combined Revenue Account of all Pension Schemes	59
Schedule 1 to Schedule 6 of the Consolidated Balance Sheet	60
A. Introduction - Audit of NPS/APY Scheme Accounts	62
B. Consolidation of Scheme Accounts and its Methodology	63
C. Significant Accounting Policies.....	63
1. Basis of Preparation of Financial statements.....	63
2. Investment Valuation	64
3. Non-Performing Assets	64
4. Accounting of Subscribers Contribution	64
5. Accounting of Fees/Charges levied on Subscribers.....	65
D. Notes to Financial Statements	66
1. Compliance of Investment Guidelines	66
2. Details of Non-Performing Assets in Schemes as on 31 st March 2017	67
3. Unitization of Pool Account	68
4. Residual Units	68
5. Details of balances lying with Trustee Bank	69
6. Details of balances with Point of Presence	69
7. Details of balances with Aggregator.....	70
8. Scheme wise redemptions due to collection of charges by Central Recordkeeping Agency from non-government subscribers.....	72
9. NAV as per Audited Scheme Financial Statements and NAV declared by Pension Funds to Central Record Keeping Agency (CRA) as on 31 st March 2017.....	72

Report of Chartered Accountants

To,

The Board of Trustees,
National Pension System Trust

1 We have been requested by the National Pension System Trust (NPS Trust) to verify the consolidation of Balance Sheet as at 31st March, 2017 (Balance Sheet) and the Revenue Account for the year then ended (Revenue Account) and notes to Financial Statements attached thereto, in respect of following schemes of the NPS Trust being managed by Pension Fund Managers (PFM) listed in Para 2 below:

- a Scheme - E (Tier-I)
- b Scheme - C (Tier-I)
- c Scheme - G (Tier-I)
- d Scheme - A (Tier-I)
- e Scheme - E (Tier-II)
- f Scheme - C (Tier-II)
- g Scheme - G (Tier-II)
- h Scheme - CG (Central Government)
- i Scheme - SG (State Government)
- j Scheme -NPS Lite Government Pattern
- k Scheme - Corporate CG
- l Scheme – APY (Atal Pension Yojana)
- m Scheme - A (Tier-II)

2 For this purpose, the NPS Trust has furnished

i. scheme-wise Audited Balance Sheet and scheme-wise Audited Revenue Account along with notes thereto in respect of various schemes managed by the following PFM, which were audited by separate independent auditors appointed by the NPS Trust for auditing each scheme managed by the PFM:

- a. HDFC Pension Management Company Limited- 8 Schemes
- b. ICICI Prudential Pension Fund Management Company Limited- 8 Schemes
- c. Kotak Mahindra Pension Fund Limited- 9 Schemes
- d. LIC Pension Fund Limited - 13 Schemes
- e. Reliance Capital Pension Limited - 8 Schemes
- f. SBI Pension Funds Private Limited - 13 Schemes
- g. UTI Retirement Solutions Limited -12 Schemes

ii. Scheme-wise consolidated Balance Sheet and Revenue Account

iii. Consolidated Balance Sheet and Revenue Account along with the extracts of Notes to Financial Statements

3 The consolidation of Balance Sheet and the Revenue Account is the responsibility of the management of NPS Trust. Our responsibility is limited to report on correctness of the said consolidation.

4 The schemes managed by Kotak Mahindra Pension Fund Limited have been audited by us and schemes managed by other PFM (having aggregate asset as on 31st March, 2017 of ₹ 174248.98 Crores, aggregate income for the year of ₹ 17957.16 Crores and

aggregate surplus for the year of ₹ 17634.98 Crores) have been audited by six different auditors appointed by the NPS Trust. We have placed reliance on the scheme's Financial Statements audited by the other auditors.

- 5 The NPS Trust has adopted line by line consolidation of scheme's financial statements. During this process, necessary groupings have been made in order to maintain uniformity in the presentation of the Balance Sheet and the Revenue account. On account of these regroupings, wherever made, the Audited Balance Sheet and Revenue account of the schemes may not be exactly comparable with the individual Audited Balance Sheet and the Revenue account. The Notes to the Consolidated Balance Sheet and Revenue Account contain additional information in Para C4, C5, D2, D3, D4, D5, D6 and D7 of Notes to accounts, which is based on the data available with the NPS Trust.
- 6 We have verified the consolidation and have performed our procedure in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.
- 7 The procedure carried out does not constitute either an audit or a review made in accordance with the Generally Accepted Auditing Standards in India and accordingly we do not express any opinion on the Consolidated Balance Sheet and Revenue Account of all schemes of the NPS Trust.
- 8 Based on the procedure carried out as above, we confirm that the Consolidated Balance Sheet and Revenue Account along with the notes attached thereto has been correctly compiled in all material aspects.
- 9 This report is solely for the information of the Board of Trustees and PFRDA and is not to be used for any other purpose or to be distributed to any other parties.

For M. M. Nissim & Co.
Chartered Accountants
Firm Reg. No. 107122W

SD/-
Sanjay Khemani
Partner
M. No. 044577

Mumbai, dated 13th July, 2017

NPS

NATIONAL PENSION SYSTEM TRUST
COMBINED BALANCE SHEET OF ALL PENSION SCHEMES AS AT
MARCH 31, 2017

Particulars	Schedule	(In ₹)	
		March 31, 2017	March 31, 2016
Liabilities			
Unit Capital	1	810,576,994,785	619,437,553,706
Reserves and Surplus	2	935,033,289,027	568,929,664,463
Current Liabilities and Provisions	3	1,263,403,190	533,090,960
Total		1,746,873,687,002	1,188,900,309,129
Assets			
Investments	4	1,694,068,010,737	1,152,247,319,426
Deposits	5	3,918,750,685	4,873,650,685
Other Current Assets	6	48,886,925,580	31,779,339,018
Total		1,746,873,687,002	1,188,900,309,129
(a) Net assets as per Balance Sheets		1,745,610,283,812	1,188,367,218,169
(b) Number of units outstanding		81,057,699,479	61,943,755,371

For M. M. Nissim & Co.
Chartered Accountants
Firm Reg. No. 107122W

For and on Behalf of National Pension System Trust

SD/-
Sanjay Khemani
Partner
M. No. 044577

SD/-
Shailesh V. Haribhakti
(Chairman, NPS Trust Board)

SD/-
Kamal Chaudhry
(Chief Executive Officer)

Place: Mumbai
Date: 13 /7/2017

Place: Mumbai
Date: 13 /7/2017

Place: Mumbai
Date: 13 /7/2017

NATIONAL PENSION SYSTEM TRUST			
COMBINED REVENUE ACCOUNT OF ALL PENSION SCHEMES FOR THE YEAR ENDED MARCH 31, 2017			
Particulars	Schedule	(In ₹)	
		March 31, 2017	March 31, 2016
Income			
Dividend		2,153,894,359	1,606,472,733
Interest		100,314,579,611	72,194,678,216
Profit on sale/redemption of investments		5,140,656,878	2,804,568,411
Profit on inter-scheme transfer/sale of investments		-	6,739,470
Unrealised gain on appreciation in investments		72,287,988,324	2,533,153,625
Other Income		1,835	3,793,921
Total Income (A)		179,897,121,007	79,149,406,376
Expenses and losses			
Unrealised losses in value of investments		2,015,477,833	15,014,455,164
Loss on sale/redemption of investments		510,069,709	994,848,523
Loss on inter-scheme transfer/sale of investments		-	4,265,755
Management fees (including service tax)		173,026,651	114,688,010
NPS Trust Fees		147,868,973	45,285,930
Custodian fees		57,259,389	80,473,011
Depository and settlement charges		12,290,790	3,086,027
CRA fees	468,068,310		328,295,754
Less: Amount recoverable by sale of units on account of CRA Charges	(468,068,310)		-
		-	328,295,754
Provision for Non-Performing Assets		313,306,180	60,981,500
Other Expenses		6	2
Total Expenditure (B)		3,229,299,531	16,318,083,922
Surplus/(Deficit) for the year (A-B)		176,667,821,476	62,831,322,454
Less: Amount transferred to Unrealised appreciation account		70,285,667,616	13,963,693,221
Less: Amount transferred to General Reserve		106,382,153,860	48,867,629,233
Amount carried forward to Balance Sheet		-	-

For M. M. Nissim & Co.

Chartered Accountants

Firm Reg. No. 107122W

SD/-

Sanjay Khemani

Partner

M. No. 044577

Place: Mumbai

Date: 13 /7/2017

For and on Behalf of National Pension System Trust

SD/-

Shailesh V. Haribhakti

(Chairman, NPS Trust Board)

Place: Mumbai

Date: 13 /7/2017

SD/-

Kamal Chaudhry

(Chief Executive Officer)

Place: Mumbai

Date: 13 /7/2017

NATIONAL PENSION SYSTEM TRUST
NOTES ANNEXED TO AND FORMING PART OF THE COMBINED BALANCE SHEET OF ALL PENSION SCHEMES AS
AT MARCH 31, 2017

		(₹)	
		March 31, 2017	March 31, 2016
Schedule 1 - Unit Capital			
Outstanding at the beginning of the year		619,437,553,706	441,754,053,298
Add: Units issued during the year		200,748,838,416	180,275,145,644
Less: Units redeemed during the year		9,609,397,337	2,591,645,236
Outstanding at the end of the year (₹)		810,576,994,785	619,437,553,706
(Face Value of Rs.10/- each unit, fully paid up)			
Outstanding units at the beginning of the year		61,943,755,371	44,175,405,330
Add: Units issued during the year		20,074,883,842	18,027,514,565
Less: Units redeemed during the year		960,939,734	259,164,524
Outstanding Units at the end of the year		81,057,699,479	61,943,755,371
Schedule 2 - Reserves and Surplus			
Reserves and Surplus			
Unit Premium Reserve			
Opening Balance		333,409,835,623	194,108,863,012
Add: Premium on Units issued		196,756,778,856	194,147,796,889
Less: Premium on Units redeemed		7,320,975,768	54,846,824,278
Add: Transfer from General Reserve		-	-
Closing Balance		522,845,638,711	333,409,835,623
General Reserve			
Opening Balance		189,111,469,957	140,243,840,724
Add: Transfer from Revenue Account		106,382,153,860	48,867,629,233
Less: Transfer to Unit Premium Reserve		-	-
Closing Balance		295,493,623,817	189,111,469,957
Unrealised Appreciation Account			
Opening Balance		46,408,358,883	32,444,665,662
Add : Adjustment for Previous years unrealised appreciation reserve		-	21,810,644,205
Add/(Less): Transfer from/(to) Revenue Account		70,285,667,616	- 7,846,950,984
Closing Balance		116,694,026,499	46,408,358,883
Total		935,033,289,027	568,929,664,463

NATIONAL PENSION SYSTEM TRUST
NOTES ANNEXED TO AND FORMING PART OF THE COMBINED BALANCE SHEET OF ALL PENSION SCHEMES AS
AT MARCH 31, 2017

		(₹)	
		March 31, 2017	March 31, 2016
Schedule 3 - Current Liabilities and Provisions			
Current Liabilities			
Sundry Creditors for expenses		152,860,695	117,643,477
TDS Payable		4,755,743	3,891,490
Book Overdraft		-	-
Redemption Payable		502,276,359	152,084,608
Contract for Purchase of Investments		366,293,666	253,726,797
Amount Payable to Other Schemes		-	-
Provision for Interest overdue		-	5,491,910
Provision on upgraded assets		111,787,680	-
Interest received in Advance		125,429,048	252,678
Total		1,263,403,190	533,090,960
Schedule 4 - Investments			
Investments (Long Term and Short Term)			
Equity Shares		234,510,381,662	125,384,815,886
Debentures and Bonds Listed/Awaiting Listing		613,901,508,107	416,268,540,773
Central and State Government Securities (including treasury bills)		833,545,604,112	601,851,667,003
Commercial Paper		-	-
Others - Mutual Fund Units		12,110,516,856	8,742,295,764
Total		1,694,068,010,737	1,152,247,319,426
Schedule 5 - Deposits			
Deposits with Scheduled Banks		3,918,750,685	4,873,650,685
Total		3,918,750,685	4,873,650,685
Schedule 6 - Other Current Assets			
Balances with bank in current account		925,537,797	514,330,796
Contracts for sale of investments		226,259,100	237,086,179
Interest Receivable on Non-performing Investments	5,983,459		5,983,459
Less: Provision for Interest on Non Performing Investment	(5,983,459)		-
		-	5,983,459
Outstanding and accrued income		38,494,942,072	27,920,513,783
Dividend Receivable		3,609,067	8,753,670
Brokerage receivable from PFM		130,954	76,189
Application money pending allotment		9,087,720,000	2,997,875,953
Sundry Debtors		148,726,590	100,702,448
Redemption receivable on Non performing Investment	391,500,000		391,500,000
Less: Provision for Non Performing Investments	(391,500,000)		-
		-	391,500,000
		-	-
Total		48,886,925,580	31,779,339,018

A. Introduction - Audit of NPS/APY Scheme Accounts

The annual financial accounts of NPS/APY Schemes managed by the Pension Funds were audited in compliance of the *PFRDA (Pension Fund) Regulations 2015* and *PFRDA (Preparation of Financial Statements and Auditors Report of Schemes under National Pension System) Guideline – 2012 and its amendments thereof dated 8th Jan 2013, 11th Apr 2013 and 5th Jan 2015*. In terms of these guidelines, the scheme auditors were appointed by NPS Trust and each Pension Fund has submitted the individual and consolidated NPS/APY Scheme financial accounts for the Financial Year 2016-17 to NPS Trust which were duly audited in the prescribed formats and approved by the respective Board of Directors of Pension Funds. The Board of Trustee of NPS Trust has adopted these annual scheme financials in its 45th meeting held on 13th July 2017.

The Pension Funds engaged in managing the schemes under the National Pension System and Atal Pension Yojna for the financial year 2016-17, which are appointed by the Authority are as under:-

1. HDFC Pension Management Company Limited
2. ICICI Prudential Pension Fund Management Company Limited
3. Kotak Mahindra Pension Fund Limited
4. LIC Pension Fund Limited
5. Reliance Capital Pension Limited
6. SBI Pension Funds Private Limited
7. UTI Retirement Solutions Limited

The schemes that are being managed by the Pension Funds under NPS/APY are:-

1. Scheme - E (Tier-I)
2. Scheme - C (Tier-I)
3. Scheme - G (Tier-I)
4. Scheme - A (Tier-I) wef 04th Nov. 2016 vide Authority's Circular PFRDA/2016/8/PFM/04
5. Scheme - E (Tier-II)
6. Scheme - C (Tier-II)
7. Scheme - G (Tier-II)
8. Scheme - A (Tier-II) wef 04th Nov. 2016 vide Authority's Circular PFRDA/2016/8/PFM/04
9. Scheme - CG (Central Government)
10. Scheme - SG (State Government)
11. Scheme -NPS Lite Government Pattern
12. Scheme - Corporate CG
13. Scheme – Atal Pension Yojana (APY)

The Schemes CG and Scheme SG, applicable for government employees, are exclusively managed by LIC Pension Fund Limited, SBI Pension Funds Private Limited and UTI Retirement Solutions Limited as mandated by the Authority.

The Schemes APY, a Government of India sponsored defined benefit scheme, is exclusively managed by LIC Pension Fund Limited, SBI Pension Funds Private Limited and UTI Retirement Solutions Limited as mandated by the Authority

B. Consolidation of Scheme Accounts and its Methodology

Towards compliance of regulation 14(4)(v) of PFRDA (NPS Trust) Regulations 2015, the audited NPS/APY Scheme financials of each Pension Fund have been consolidated into a single Balance Sheet and Revenue Account representing the summarized position of NPS Scheme Financial Accounts for the Financial Year 2016-17. As the Authority has not prescribed guidelines for consolidating the scheme accounts of NPS/APY, the following methodology was adopted to consolidate the scheme accounts of NPS Trust for the Financial Year 2016-17.

1. The Revenue Account and Balance Sheet as on 31st March 2017 was consolidated scheme-wise across different Pension Fund resulting into 13 (thirteen) Revenue Account and Balance Sheet depicting each Scheme.
2. The above 13 (thirteen) NPS Scheme Revenue Account and Balance Sheet were further consolidated into a single Revenue Account and Balance Sheet.
3. Balances outstanding in the collection account with Trustee Bank as on 31st March 2017 were segregated scheme wise on the basis of 'Fund Receipt Confirmation' uploaded by Trustee Bank after 31st March 2017. The details of Balances have been disclosed in [Para D5](#). These Balances are not forming part of the Consolidated Balance Sheet.
4. Balance outstanding with Point of Presence (PoP) and Aggregators were compiled and the same have not been included in the Consolidated Balance Sheet since the same is not forming part of the Audited Financial Statements of the Schemes of NPS/APY managed by the Pension Funds. The details of balances with Point of Presence (PoP) and Aggregators have been disclosed in [Para D6 and D7](#) respectively.
5. The charges levied by the Central Recordkeeping Agency to the non-government subscribers by way of extinguishing of units were accounted for in the scheme financial as redemption of units from schemes based on information provided by the Central Recordkeeping Agency and these redemptions have been expended from the subscribers' individual pension account. The details of Scheme-wise total number of subscribers and the charges recovered by Central Recordkeeping Agency by way of extinguishment of units in respect of non-government subscribers have been disclosed in [Para D8](#).
6. The Consolidated scheme accounts will not bear any Net Asset Value as each Pension Fund declares Net Asset Value (NAV) for each individual NPS/APY Scheme on a daily basis. A comparison of Scheme NAV declared by Pension Fund on 31st March 2017 vis a vis the Scheme NAV's derived from the audited Scheme Financials are disclosed in [Para D9](#).

C. Significant Accounting Policies

1. Basis of Preparation of Financial statements

The financial statements have been prepared in compliance of the PFRDA (Pension Fund) Regulations 2015 and PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines – 2012, Accounting Standards referred to in section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts)

Rules, 2014 to the extent made applicable by the Authority's guidelines and generally accepted accounting principles. These financial statements have been prepared on an accrual basis.

2. Investment Valuation

The scheme portfolio investments are marked to market and are valued in compliance of the valuation policy prescribed under *PFRDA (Preparation of Financial Statements and Auditor's Report of Schemes under National Pension System) Guidelines – 2012*. Moreover, in terms of the Authority's guidelines, unrealised Gain/Loss, if any, arising out of appreciation/depreciation in value of investments is transferred to Revenue Account.

For ensuring uniform valuation of scheme investments by Pension Funds for calculating the Net Asset Value of Schemes on a daily basis, NPS Trust has appointed Stock Holding Corporation of India Limited as a third party valuer for providing valuation services (price files) to the Pension Funds.

The Scheme Auditors have noted the following variances from the guidelines issued by the Authority in respect of valuation undertaken for the schemes:-

PFRDA Guidelines	Valuation Policy
Securities traded at a stock exchange: Debt securities (other than government securities) are valued at the last quoted closing price on the Principal exchange on which the security is traded.	Debt securities (other than government securities) are valued at NSE weighted average traded price on that day.
Securities not traded at a stock exchange: When a debt security (other than government security) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on any other stock exchange on the earliest previous day is used, provided that such day is not more than fifteen days.	When such securities are not traded on a valuation day, they are valued on a yield to maturity basis, based on average of spreads provided by CRISIL and ICRA, if residual maturity exceeds 60 days Otherwise, it is valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.
Valuation of G Sec at YTM based on prevailing prices.	Government securities are valued at aggregated prices received daily from independent valuation agencies i.e. CRISIL and ICRA.
Money Market Instruments like T - Bill, CP and CD should be typically valued at amortised cost, unless traded.	Money Market instruments are valued like debt securities. i.e. up to 60 days residual maturity - Amortisation, above 60 days - YTM basis.

3. Non-Performing Assets

Scheme investments for which interest and/or principal are overdue have been accounted for as non-performing assets in compliance of the *PFRDA (Identification, Income Recognition and Provisioning of NPA) Guidance Note 2013*. Details of Non-Performing Assets as on 31st March 2017 are disclosed in [Para D2](#).

4. Accounting of Subscribers Contribution

Under the NPS architecture, contributions by subscribers to their individual Permanent Retirement Account Number maintained with Central Recordkeeping Agency are received through the Point of Presence (un-organised sector), Aggregator (NPS Lite), Nodal Offices (Government employees) and Banks (APY) and subsequently remitted to the Trustee Bank for

onward transmission to the Pension Funds for investments. The subscriber's contributions are recognized in the Scheme Accounts only on the date of receipt of funds by the Pension Funds from the Trustee Bank. The time lines prescribed by the Authority for remittances of subscribers contributions by different intermediaries are as follows:-

Intermediary	Timelines (Turn Around Time)
Point of Presence	T + 1
Aggregator	T + 3 to 7
Nodal Office	Not prescribed
Trustee Bank	T + 1

Due to the above prescribed timelines, there were subscribers contributions lying with Trustee Bank, Point of Presence and Aggregator as on 31st March 2017 which represented amounts collected from subscribers but units thereof was not allotted to the individual subscribers account. The details of balances lying with the Trustee Bank, Point of Presence and Aggregator are shown in [Para D5, D6 & D7](#) respectively.

5. Accounting of Fees/Charges levied on Subscribers

The accounting for fees/charges paid by the subscribers to the various intermediaries under NPS are not completely reflected in the scheme accounts since the nature and manner of recovery of the fees/charges by the various intermediaries are different as prescribed by the Authority. The intermediaries' fees/charges and the manner of its recovery from the subscriber are as under:-

Intermediary	Charge Head	Method of Deduction	Whether accounted in Scheme Accounts
Custodian	Asset Servicing charges *	NAV deduction, accrued on daily basis	Yes
Pension Fund	Investment Management Fee**	NAV deduction, accrued on daily basis	Yes
Trustee Bank	NIL	NA	NA
Central Recordkeeping Agency	CRA Charges***	Extinguishing of units from subscribers account	No
Point of Presence	Processing Fees	Charges collected upfront and Net Amount remitted to Trustee Bank	No
Aggregator	NA	NA	No
NPS Trust	Reimbursement of expenses	NAV deduction, accrued on daily basis	Yes

*The Custodian Fee is exclusive of applicable taxes and other statutory dues.

** The Investment Management Fee is inclusive of all transaction related charges such as brokerage, transaction cost etc. except applicable taxes.

***In case of NPS subscribers from the Government sector, the Central Recordkeeping Agency charges are paid by the respective Government/employer directly and units are not extinguished from their Permanent Retirement Account Number. The details of Central Recordkeeping Agency charges recovered through extinguishment of units from subscriber's accounts for non-government sector are disclosed in [Para D8](#).

Applicable Fees and Charges as on 31.03.2017

Intermediary	Fees / Charges	Private	Govt.*	NPS Life
Central Recordkeeping Agency	PRA Opening charges	NSDL: Rs. 50 Karvy** : Rs 39.36	Rs. 50	Rs. 35
	Annual PRA Maintenance cost per account	NSDL: Rs. 190 Karvy : Rs 57.63	Rs. 190	Rs. 40
	Charge per transaction	NSDL: Rs. 4 Karvy : Rs 3.36	Rs. 4	12 free
Point of Presence	Initial subscriber registration and contribution upload	Rs. 125	NA	NA
	Any subsequent transactions	0.25% of contribution, Min. Rs 20 Max. Rs 25000	NA	NA
	On eNPS platform	0.05% of contribution Min. Rs 5 Max. Rs.5000	NA	NA
Trustee Bank		NIL		
Custodian	Asset Servicing charges	0.0032% p.a for Electronic segment & 0.05% p.a. for Physical segment		
Pension Funds	Investment Management Fee	0.01% p.a	0.0102% p.a.	0.0102% p.a
NPS Trust	Reimbursement of expenses	0.01% pa.		

* In case of Government employees, CRA charges are being paid by the respective Governments.

** Karvy Computershare Pvt. Ltd has started operation wef 15th Feb, 2017.

Applicable Fees and Charges as on 31.03.2016

Intermediary	Fees / Charges	Private	Govt.*	NPS Life
Central Recordkeeping Agency	PRA Opening charges	Rs. 50	Rs. 50	Rs. 35
	Annual PRA Maintenance cost per account	Rs. 190	Rs. 190	Rs. 50
	Charge per transaction	Rs. 4	Rs. 4	12 free
Point of Presence	Initial subscriber registration and contribution upload	Rs. 125	NA	NA
	Any subsequent transactions	0.25% of contribution, Min. Rs 20 Max. Rs 25000	NA	NA
Trustee Bank		NIL		
Custodian	Asset Servicing charges	0.0075% p.a for Electronic segment & 0.05% p.a. for Physical segment		
Pension Funds	Investment Management Fee	0.01% p.a	0.0102% p.a.	0.0102% p.a
NPS Trust	Reimbursement of expenses	0.01% pa. w.e.f 1 st Nov 2015		

* In case of Government employees, CRA charges are being paid by the respective Governments.

D. Notes to Financial Statements

1. Compliance of Investment Guidelines

The Pension Funds have invested the contributions received from subscribers in the NPS/APY Schemes in compliance of the Authority's investment guidelines.

2. Details of Non-Performing Assets in Schemes as on 31st March 2017

(Refer Para C3)

(Rupees in crores)

Name of the PFM: SBI PENSION FUNDS PRIVATE LIMITED					Total Face Value	
Sl	Scheme Name	Name of Security	Date of Purchase	NPA Since	As on 31.03.2017	As on 31.03.2016
1	Scheme CG	Deccan Chronicle Limited (CP)	22/03/2012	29/09/2012	10.00	10.00
2	Scheme SG	Deccan Chronicle Limited (CP)	22/03/2012	29/09/2012	10.00	10.00
3	Scheme CG	12.50 % Gujarat NRE Coke Ltd.	06/10/2010	30/09/2014	15.00	15.00
4	Scheme SG	12.50 % Gujarat NRE Coke Ltd.	06/10/2010	30/09/2014	5.00	5.00
5	Scheme CG	10.20 % Parekh Aluminex Limited	02/12/2010	01/06/2013	4.70	4.70
6	Scheme C	10.20 % Parekh Aluminex Limited	02/12/2010	01/06/2013	0.20	0.20
7	Scheme CII	10.20 % Parekh Aluminex Limited	02/12/2010	01/06/2013	0.10	0.10
Total					45.00	45.00

Name of the PFM: LIC Pension Fund					Total Face Value	
Sl	Scheme Name	Name of Security	Date of purchase	NPA Since	As on 31.03.2017	As on 31.03.2016
1	CG Scheme	11.15% Era Infra Engineering Limited NCD 2014 (27.11.2014)	27/02/2010 30/03/2010 31/03/2010	27/5/2014	19.20	19.20
2	CG Scheme	9.75% Parekh Aluminex Ltd. NCD 2014 (01.03.2014).	1/9/2010	31/5/2013	1.00	1.00
3	CG Scheme	9.75% Parekh Aluminex Ltd. NCD 2014 (01.09.2014).	1/9/2010	31/5/2013	1.00	1.00
4	CG Scheme	9.75% Parekh Aluminex Ltd. NCD 2015 (01.03.2015).	1/9/2010	31/5/2013	1.50	1.50
5	CG Scheme	9.75% Parekh Aluminex Ltd. NCD 2015 (01.09.2015).	1/9/2010	31/5/2013	1.50	1.50
6	CG Scheme	10.20% Parekh Aluminex Ltd. Strpps 2013 (01.12.2013).	1/12/2010	31/5/2013	1.50	1.50
7	CG Scheme	10.20% Parekh Aluminex Ltd - Strpps 2014 (01.12.2014).	1/12/2010	31/5/2013	1.50	1.50
8	CG Scheme	10.20% Parekh Aluminex Ltd. - Strpps 2015 (01.12.2015).	1/12/2010	31/5/2013	2.00	2.00
9	CG Scheme	10.75% Elder Pharmaceuticals Ltd NCD 2015 (23.12.2015)	1/2/2011	24/9/2013	4.58	4.58
10	CG Scheme	10.90% Bhushan Steel Limited* (26.08.2018)	26/8/2010	26/11/2015	0.00	7.00
11	CG Scheme	10.25% Amtek Auto Ltd. NCD 2015 (20.09.2015)	1/10/2010	20/12/2015	7.00	7.00
12	CG Scheme	11.50% Sec Alok Industries Ltd. NCD 2016 (29.06.2016)	14.12.2010 16.12.2010 06.01.2011 26.04.2011	01/04/2016	17.90	0.00
13	SG Scheme	11.15% Era Infra Engineering Limited NCD 2014 (27.11.2014)	27/02/2010 30/03/2010	27/5/2014	1.00	1.00
14	SG scheme	9.75% Parekh Aluminex Ltd. NCD 2014 (01.03.2014).	1/9/2010	31/5/2013	1.00	1.00
15	SG scheme	9.75% Parekh Aluminex Ltd. NCD 2014 (01.09.2014).	1/9/2010	31/5/2013	1.00	1.00

Name of the PFM: LIC Pension Fund					Total Face Value	
Sl	Scheme Name	Name of Security	Date of purchase	NPA Since	As on 31.03.2017	As on 31.03.2016
16	SG scheme	9.75% Parekh Aluminex Ltd. NCD 2015 (01.03.2015).	1/9/2010	31/5/2013	1.50	1.50
17	SG scheme	9.75% Parekh Aluminex Ltd. NCD 2015 (01.09.2015).	1/9/2010	31/5/2013	1.50	1.50
18	SG scheme	10.20% Parekh Aluminex Ltd. Strpps 2013 (01.12.2013).	1/12/2010	31/5/2013	0.60	0.60
19	SG scheme	10.20% Parekh Aluminex Ltd - Strpps 2014 (01.12.2014).	1/12/2010	31/5/2013	0.60	0.60
20	SG scheme	10.20% Parekh Aluminex Ltd. - Strpps 2015 (01.12.2015).	1/12/2010	31/5/2013	0.80	0.80
21	SG Scheme	10.75% Elder Pharmaceuticals Ltd Ncds 2015 (23.12.2015)	1/2/2011	24/9/2013	4.58	4.58
22	SG scheme	10.90% Bhushan Steel Limited* (26.08.2018)	26/8/2010	26/11/2015	0.00	5.00
23	SG Scheme	10.25% Amtek Auto Ltd. NCD 2015 (20.09.2015)	1/10/2010	20/12/2015	3.00	3.00
24	SG Scheme	11.50% Sec Alok Industries Ltd. NCD 2016 (29.06.2016)	15.12.2010 26.04.2011	01/04/2016	7.10	0.00
Total					81.36	68.36

* 10.90% Bhushan Steel Limited NCD (26.08.2018) was restructured on 31.03.2017 and treated as performing asset post restructuring

Legal action has already been initiated against the issuer/companies for recovery of the outstanding dues in the respective schemes.

3. Unitization of Pool Account

The contributions which had been transferred by the Government Nodal Offices without proper details of subscribers till 30th April 2012 has been invested by the Pension Funds but units have not been allotted to individual subscribers account due to non-availability of subscriber's data for proper identification of the contributions by Central Recordkeeping Agency. The amount of contributions lying in the 'pool account' is as follows:-

Financial Year	Units	Value
As on March 2017	16275279.82	18,82,56,490.65
As on March 2016	20648050.93	23,91,91,344.15

The Board of NPS Trustees have initiated measures to nullify the said 'pool account' and allocate the units to the individual subscribers by adopting a process of reconciliation to identify the funds with subscribers through co-ordination of information between the Trustee Bank (Axis Bank) (erstwhile Bank of India), Central Recordkeeping Agency and Nodal Offices.

4. Residual Units

The term "residual units" means units lying with the Central Recordkeeping Agency which have not been allotted to any subscriber due to the differences that arise due to rounding off units to four decimal places while allocating units to the individual subscriber accounts.

The balance of residual units and their value in respect of Schemes managed by the seven Pension Funds was

Financial Year	Units	Value
As on March 2017	53003.0617	1105760.19
As on March 2016	37889.6395	724699.44

5. Details of balances lying with Trustee Bank:

(Refer Para B3& C4)

PFs Name	Amt. (in crores)	
	As on 31.03.2017	As on 31.03.2016
HDFC Pension Management Company Limited	0.81	8.77
ICICI Prudential Pension Funds Management Company Limited	1.94	5.88
Kotak Mahindra Pension Fund Limited	0.51	1.42
LIC Pension Fund Limited	14.45	64.03
Reliance Capital Pension Fund Limited	0.23	0.46
SBI Pension Funds Private Limited	17.83	101.46
UTI Retirement Solutions Limited	14.43	49.28
Grand Total	50.20	231.30

6. Details of balances with Point of Presence:

(Refer Para B4& C4)

Sl	Name of Point of Presence	Amt. in Rupees	
		As on 31.03.2017	As on 31.03.2016
1	Abhipra Capital Ltd	52,000.00	797,035.25
2	Alankit Assignments Limited	11,049,543.00	28,719,302.41
3	Allahabad Bank	384,538.35	854,436.00
4	Andhra Bank	389,342.44	439,080.05
5	Assam Electricity Grid Corporation Ltd.	658,685.00	14,719,202.00
6	Assam Power Distribution Company Ltd.	957,074.00	42,021,979.27
7	Assam Power Generation Corpotaion Ltd.	245,830.00	446,189.00
8	Axis Bank Ltd.	7,129,018.34	15,329,398.11
9	Bajaj Capital Ltd.	101,000.00	2,000.00
10	Bank Of Baroda	22,974,755.05	1,500,884.12
11	Bank of India	-	248,459.00
12	Bank of Maharashtra	2,265,561.00	2,360,362.00
13	Canara Bank	6,551,532.18	5,017,969.36
14	Central Bank of India	1,253,318.52	49,875.00
15	Computer Age Management Services Pvt. Ltd.	6,750,367.00	3,865,651.99
16	Corporation Bank	1,023,209.46	3,644,196.59
17	Dayco Securities Pvt. Ltd.	109,990.00	159,500.00
18	DBFS Securities Ltd.	64,657.00	166.00
19	Dena Bank	483,838.75	40,037.53
20	Elite Wealth Advisors Limited	-	792,153.00
21	Eureka Stock And Share Broking Services Ltd.	792,000.00	300,000.00
22	HDFC Securities Ltd.	41,640,463.57	23,207,648.30
23	ICICI Bank Ltd.	7,657,925.97	36,587,111.39
24	ICICI Securities Ltd	5,340,736.95	9,435,709.00
25	IL&FS Securities Services Ltd.	658,989.00	3,233,488.80
26	India Infoline Finance Ltd.	1,500.00	710,097.06
27	India Post NPS Nodal Office	1,328,891.00	944,451.00
28	Indian Overseas Bank	50,000.00	-
29	IndusInd Bank Ltd.	460,692.48	NA
30	Indian Bank	-	1,429.52
31	Integrated Enterprises (India) Ltd	96,683.75	98,679.40

Sl	Name of Point of Presence	As on 31.03.2017	As on 31.03.2016
32	Karvy Stock Broking Ltd.	1,000.00	NA
33	Karvy Financial Services Private Ltd	-	994,025.00
34	Kotak Mahindra Bank Ltd	5,114,369.50	1,378,004.57
35	Marwadi Shares & Finance Ltd.	1,395,527.42	1,158,670.95
36	Muthoot Finance Ltd	7,933.00	-
37	Narnolia Securities Ltd.	100,000.00	-
38	Oriental Bank of Commerce	49,856.00	31,326,853.48
39	Punjab & Sind Bank	7,421,293.02	9,696,687.00
40	Punjab National Bank	129,611.77	225,790,173.28
41	Reliance Capital Ltd.	9,740,920.44	12,478,418.36
42	Religare Securities Ltd.	1,989,777.32	168,511.96
43	SMC Global Securities Ltd	-	650.00
44	State Bank of Bikaner & Jaipur	3,156,297.00	1,017,242.00
45	State Bank of Hyderabad	4,975,739.90	1,907,097.00
46	State Bank of India	12,664,905.00	97,803,775.00
47	State Bank of Mysore	585,420.00	52,834.00
48	State Bank Of Patiala	50,000.00	-
49	State Bank of Travancore	6,499,057.00	1,834,409.00
50	Steel City Securities Ltd.	11,000.00	630,188.41
51	The KarurVysya Bank Ltd	29,680,388.00	37,687,438.00
52	The Lakshmi Vilas Bank Ltd.	6,046.00	76,451.14
53	The South Indian Bank	2,380,475.87	2,784,041.73
54	Union Bank of India	11,993,117.50	2,627,819.55
55	United Bank of India	675,000.00	-
56	Stock Holding Corporation of India Ltd	-	2,400,866.00
57	Syndicate Bank	-	205,418.60
58	The Federal Bank Ltd	-	317,743.00
59	UCO Bank	-	33,507.57
60	UTI Asset management Company Ltd	13,957,818.00	26,366,054.10
61	Ventura Securities Ltd	216,546.00	150,000.00
62	Vijaya Bank	50,000.00	100,000.00
63	Way2Wealth Brokers Pvt. Ltd.	1,700,214.00	1,391,304.08
64	Zen Securities Limited	20,806.00	26,396.85
	Total	235,045,261.55	655,931,071.78

7. Details of balances with Aggregator:

(Refer Para B4& C4)

Sl.	Name of Aggregator	Amt. in Rupees	
		As on 31.03.2017	As on 31.03.2016
1	Abhipra Capital Limited	42,300.00	896,395.95
2	Adhikar Micro Finance Pvt Ltd	808,539.00	1,422,801.00
3	Alankit Assignments Limited	2,769,940.00	6,759,096.20
4	Allahabad Bank	222,579.00	174,150.00
5	Allahabad UP Gramin Bank	2,000.00	96,600.00
6	Andhra Bank	114,727.00	33,000.00
7	AP Board	-	3,163,449.00
8	Assam Gramin Vikash Bank	-	390,913.00
9	Banaskantha Dist. Co-op Milk Producers Union Limited	295,543.11	-
10	Bank of Baroda	5,812,310.59	2,556,728.00
11	Bank of India	2,000.00	90,100.00
12	Bank of Maharashtra	228,918.00	335,275.00
13	Baroda Rajasthan Kshetriya Gramin Bank Alwar	12,200.00	62,361.00
14	Building & other Construction Workers Welfare Board Rajasthan	-	7,031,097.04

Sl.	Name of Aggregator	As on 31.03.2017	As on 31.03.2016
15	BWDA Finance Limited	268,000.00	1,824,000.00
16	Canara Bank	3,691,900.00	7,303,267.00
17	Cashpor Micro Credit	53,461.00	1,779,700.00
18	Centre for Development Orientation and Training	15,856.00	57,236.00
19	CSC e-Governance Services India Limited	2,433,290.00	574,363.11
20	Director Women and Child Development	316,497,684.00	329,810,077.29
21	Esaf Microfinance & Investments (P) Ltd	237,400.00	227,691.16
22	Grameen Koota Financial Services Pvt Ltd	1,284,000.00	-
23	Gujarat Infotech Limited	474,400.00	2,192,200.00
24	IDBI Bank Ltd	7,000.00	-
25	IFMR Rural Finance Services Pvt Ltd	2,217,653.00	3,574,212.05
26	IL&FS Securities Services Ltd	99,935.73	290,586.00
27	India Infoline Finance Limited	-	1,965,246.77
28	Indian Bank	90,700.00	342,500.00
29	Indian Overseas Bank	144,635.00	232,180.00
30	Indur Intideepm Producers MACS Federation Ltd	939,000.00	1,785,042.85
31	Jagaran Microfin Private Limited	-	65,300.00
32	Janalakshmi Financial Services Private Limited	1,700.00	-
33	Karnataka State Un-organized Workers Social Security Board	1,905,629.00	7,763,541.00
34	LIC Housing Finance Ltd	43,725,142.70	14,878,250.78
35	LIC of India	81,500.00	43,050.00
36	Margdarshak Financial Services Limited	588,500.00	1,215,479.00
37	Oriental Bank of Commerce	75,800.00	92,200.00
38	Punjab National Bank	203,250.00	320,075.00
39	Samhita Community Development Services	247,100.00	64,641.17
40	Saptagiri Grameena Bank	-	918.00
41	Saptrishi Consultancy Services Ltd	515,089.00	583,089.00
42	Sarva Haryana Gramin Bank	50,300.00	196,700.00
43	Shree Kshethra Dharmasthala Rural Development Project	25,897,400.00	2,689,543.00
44	Shri Mahila Sewa Sahakari Bank Limited	592,000.00	2,637,700.00
45	The South Indian Bank	443,197.00	1,045,747.00
46	State Bank of Hyderabad	636,408.00	601,638.00
47	State Bank of India	12,455.00	348,480.00
48	State Bank of Patiala	-	9,500.00
49	Swayamshree Micro Credit Services	170,100.00	105,902.00
50	Syndicate Bank	4,600.00	3,000.00
51	UCO Bank	33,507.57	-
52	Union Bank of India	-	304,546.00
53	United Bank of India	2,242,600.00	1,180,823.00
54	UTI Infrastructure Technology & Services Limited	2,793,031.41	18,244,386.64
55	Vijaya Bank	97,400.00	328,900.00
	Total	419,082,681.11	427,693,678.01

8. Scheme wise redemptions due to collection of charges by Central Recordkeeping Agency from non-government subscribers.

(Refer Para B5 & C5)

SI	Scheme	31 March 2017	31 March 2016
1	CG	95,729.00	24,127.00
2	SG	103,346.00	12,731.00
3	Corp. CG	44,710,394.00	36,593,460.00
4	NPS Lite	162,290,230.00	198,199,241.00
5	APY	170,949,284.00	53,243,606.00
6	E Tier I	36,157,482.40	16,192,799.91
7	E Tier II	315,995.40	150,914.42
8	C Tier I	23,269,470.72	11,134,058.37
9	C Tier II	204,289.63	103,424.72
10	G Tier I	29,719,332.77	12,527,246.62
11	G Tier II	237,399.71	114,146.31
12	A Tier I	15,005.67	-
13	A Tier II	350.84	-
Total		468,068,310.14	328,295,755.35

9. NAV as per Audited Scheme Financial Statements and NAV declared by Pension Funds to Central Record Keeping Agency (CRA) as on 31st March 2017.

On comparison of the NAV of Schemes declared by the Pension Funds to CRA on 31st March 2017 with the NAV derived from the audited Scheme Financials, the following differences were observed which is within the limit of 1% as prescribed under clause 2(i) (c) (iii) of Valuation Policies of Schedule (A) of the PFRDA (Preparation of Financial Statements and Auditor's Report of schemes under National Pension System) Guidelines -2012:

PF Name	Scheme Name	Audited Scheme Financials	Declared by CRA	Difference
SBI PF	NPS Lite	19.9410	19.9404	0.0006
Reliance PF	E - Tier I	22.552	22.551	0.0010
	E - Tier II	19.236	19.235	0.0010
	C - Tier I	20.8663	20.8662	0.0001
	C - Tier II	19.4304	19.4303	0.0001
Kotak PF	E - Tier II	19.7828	19.7826	0.0002

For M. M. Nissim & Co.
Chartered Accountants
Firm Reg. No. 107122W

For and on Behalf of National Pension System Trust

SD/-
Sanjay Khemani
Partner
M. No. 044577

SD/-
Shailesh V. Haribhakti
(Chairman, NPS Trust Board)

SD/-
Kamal Chaudhry
(Chief Executive Officer)

Place: Mumbai
Date: 13 /7/2017

Place: Mumbai
Date: 13 /7/2017

Place: Mumbai
Date: 13 /7/2017

नेशनल पेंशन सिस्टम ट्रस्ट

(एन पी एस ट्रस्ट)

के

सेटलोर

Settlers of National Pension System Trust



पेंशन निधि विनियामक और विकास प्राधिकरण

Pension Fund Regulatory & Development Authority

नेशनल पेंशन सिस्टम ट्रस्ट (एन पी एस ट्रस्ट)

की

वार्षिक रिपोर्ट व खाते

National Pension System Trust (NPS Trust)

Annual Report & Accounts (2016-17)