

# MAX LIFE PENSION FUND MANAGEMENT LIMITED

- SCHEME E TIER I
- SCHEME E TIER II
- SCHEME G TIER I
- SCHEME G TIER II
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**MAX LIFE PENSION FUND  
MANAGEMENT LIMITED**

Scheme E Tier I

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I**  
**UNAUDITED BALANCE SHEET AS AT MARCH 31, 2024**

(In Rs.)

Particulars	Schedule	March 31, 2024	March 31, 2023
<b>Liabilities</b>			
<b>Unitholder's Fund</b>			
Unit Capital	1	1,47,42,37,602	45,77,85,022
Reserves and Surplus	2	39,97,67,829	(2,88,96,132)
Current Liabilities and Provisions	3	43,18,163	5,72,842
<b>Total</b>		<b>1,87,83,23,595</b>	<b>42,94,61,732</b>
<b>Assets</b>			
Investments	4	1,85,89,72,278	42,73,32,368
Deposits	5	-	-
Other Current Assets	6	1,93,51,317	21,29,364
<b>Total</b>		<b>1,87,83,23,595</b>	<b>42,94,61,732</b>
(a) Net assets as per Balance Sheets (4+5+6-3)		1,87,40,05,432	42,88,88,890
(b) Number of units outstanding		14,74,23,760	4,57,78,502
(c) NAV per unit (a)/(b)		12.7117	9.3688
<b>Significant accounting policies and notes to accounts</b>	7		

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I**  
**UNAUDITED REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2024**

(In Rs.)

Particulars	March 31, 2024	March 31, 2023
<b>Income</b>		
Dividend	62,99,817	4,38,746
Interest	-	-
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	14,08,71,508	3,97,998
Profit on inter-scheme transfer/sale of investments	-	-
Unrealised gain on appreciation in investments	11,13,72,139	16,50,075
Other Income	1,151	10
<b>Total Income (A)</b>	<b>25,85,44,614</b>	<b>24,86,830</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	-	-
Provision for investments classified as default	-	-
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)	1,46,66,786	5,11,715
Loss on inter-scheme transfer/sale of investments	-	-
Investment Management fees	8,15,691	50,130
NPS Trust reimbursement of expenses	26,416	2,367
Depository and settlement charges	4,967	7
Brokerage on equity transactions	-	-
Stamp Duty	-	-
Custodian fees	-	-
CRA fees	(32,088)	27,966
Less: Amount recoverable by sale of units on account of CRA	32,088	(27,966)
Charges	-	-
Other	-	-
<b>Total Expenditure (B)</b>	<b>1,55,13,861</b>	<b>5,64,219</b>
<b>Surplus/(Deficit) for the period (A-B)</b>	<b>24,30,30,754</b>	<b>19,22,611</b>
Add: Amount transferred from Unrealised appreciation account	(11,13,72,139)	(16,50,075)
Less: Amount transferred to General Reserve	13,16,58,615	2,72,536
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Significant accounting policies and notes to accounts</b>	<b>7</b>	<b>-</b>

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

For and on behalf of  
Max Life Pension Fund Management Limited

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**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I**

**Schedules forming part of the financial statements**

<b>Schedule 1 - Unit Capital</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Outstanding at the beginning of the period	1,14,91,38,762	5,32,42,986.21
Add: Units issued during the period	83,22,83,472	41,33,17,219
Less: Units redeemed during the period	50,71,84,632	87,75,183
<b>Outstanding at the end of the period (₹)</b>	<b>1,47,42,37,602</b>	<b>45,77,85,022</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the period	11,49,13,876	53,24,299
Add: Units issued during the period	8,32,28,347	4,13,31,722
Less: Units redeemed during the period	5,07,18,463	8,77,518
<b>Outstanding Units at the end of the period</b>	<b>14,74,23,760</b>	<b>4,57,78,502</b>
<b>Schedule 2 - Reserves and Surplus</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Unit Premium Reserve</b>		
Opening Balance	(73,27,805)	(36,97,960)
Add/(Less): Premium/(Discount) on Units issued	14,93,42,996	(2,75,99,326)
Add/(Less): Discount/(Premium) on Units redeemed	(9,09,42,199)	3,60,672
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>5,10,72,992</b>	<b>(3,09,36,614)</b>
<b>General Reserve</b>		
Opening Balance	3,59,25,638	260
Add: Transfer from Revenue Account	13,16,58,615	2,72,536
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>16,75,84,253</b>	<b>2,72,796</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	6,97,38,446	1,17,611
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	11,13,72,139	16,50,075
<b>Closing Balance</b>	<b>18,11,10,585</b>	<b>17,67,686</b>
<b>Total</b>	<b>39,97,67,829</b>	<b>(2,88,96,132)</b>
<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Current Liabilities</b>		
Sundry Creditors	1,50,979	17,933
Contract for Purchase of Investments	-	-
<b>Provisions</b>		
Redemption Payable	41,54,174	5,53,331
TDS Payable	13,010	1,579
<b>Total</b>	<b>43,18,163</b>	<b>5,72,842</b>
<b>Schedule 4 - Investments</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	1,79,32,04,609	41,55,86,365
Preference Shares	-	-
Debentures and Bonds	-	-
Central and State Government Securities (including bonds guaranteed/fully serviced by Government)	-	-
Commercial Paper	-	-
Treasury Bills	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/Mortgage Based Securities	-	-
Basel III Tier I bonds	-	-
Others - Mutual Fund Units	6,57,67,669	1,17,46,003
<b>Total</b>	<b>1,85,89,72,278</b>	<b>42,73,32,368</b>

<b>Schedule 5 - Deposits</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Deposits with Scheduled Banks	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

<b>Schedule 6 - Other Current Assets</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Balances with bank in current/Savings account	1,93,51,317	21,22,949
Cash in hand	-	-
Sundry Debtors	-	-
Contracts for sale of investments	-	-
Outstanding and accrued income	-	-
Advance, Deposits etc.	-	-
Shares/Debentures/others application money pending allotment	-	-
Dividend Receivable	-	6,415
Redemption Receivable on Investment classified as "Default"	-	-
Less: Provision for Redemption Receivable on Investment classified as "Default"	-	-
Others	-	-
<b>Total</b>	<b>1,93,51,317</b>	<b>21,29,364</b>

## NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED

### SCHEME E TIER I

#### Schedule 7

#### Significant accounting policies & notes to accounts for the Half Year ended March 31, 2024

##### 1.1 Background

Max Life Pension Fund Management Ltd., (MLPFML) a Company incorporated under the Companies Act, 2013, and a subsidiary of Max Life Insurance Limited was appointed as a Pension Fund Manager (PFM) by the Pension Fund Regulatory and Development Authority (PFRDA) for the management of Pension Fund and for this purpose it has entered into Investment Management Agreements (IMA). As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. The PFM manage funds of subscribers till attaining the age of superannuation / death / voluntary withdrawal, whichever is earlier.

As per the architecture, Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, and Computer Age Management Services Limited being the Central Recordkeeping Agencies (CRAs) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receive funds on consolidated basis in respect of such allotment/redemption.

**Central Record Keeping Agency (CRA):** Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, Computer Age Management Services Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS.

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

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

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

The Trustee bank i.e. Axis Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

NPS trust has designated Deutsche Bank AG (DB) as the custodian, who is responsible for safe custody of securities and settlements of trades and informs/updates about the corporate actions.

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

CRISIL has been designated as centralised valuation service provider appointed by NPS Trust, who is responsible for providing rates for valuation, which is used by PFM for valuation of investments.

## **1.2 Schemes Particulars**

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

Scheme E - Equity market instruments

Scheme G - Government securities

Scheme C - Credit risk bearing fixed income instruments

Scheme A -Alternate Investment funds

Scheme Tax Saver- Hybrid Investments

Tier-I: This is the non-withdrawable permanent retirement account into which the regular contributions made by the subscriber are credited and invested as per the portfolio/fund manager chosen of the subscriber.

Tier-II: This is a voluntary withdrawable account which is allowed only when there is an active Tier I account in the name of the subscriber. The withdrawals are permitted from this account as per the needs of the subscriber as and when required.

The objective of the schemes is to maximize the risk adjusted return by investing in specified securities as per investing pattern as prescribed by PFRDA.

## **1.3 Basis of preparation**

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012,



Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis under the historical cost convention, except valuation of investments, which are 'mark-to-market'.

#### **1.4 Accounting of Unit Capital**

Units are created and redeemed based on the intimation provided by Central Record Keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve.

#### **1.5 Investments**

Transactions for purchase and sale of securities are accounted on trade date at cost and sale price respectively.

The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes, stamp charges and brokerage but exclude other transactional charges. Investments are reconciled with the custodian records on daily basis.

##### **Valuation of Investments**

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

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

As per directive received from NPS Trust, the valuation of investments is carried out by CRISIL Limited w.e.f. April 01, 2022.

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

##### **Securities traded at a stock exchange:**

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

##### **Securities not traded at a stock exchange:**

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

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

**Valuation of Right Shares:**

Non traded rights are valued at the difference of closing market price of the original equity share for the day and the offer price.

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

**Valuation of Money Market Investment and Mutual Fund**

Money market instruments like, commercial paper, and certificate of deposit are valued at last quoted price / applicable Matrix based valuation for investment grade securities.

Mutual fund units are valued based on latest net asset value available (generally preceding day of the valuation date).

**1.6 Income Recognition**

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

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

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

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

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

### 1.7 Computation of NAV

The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

### 1.8 Income Taxes

No Provision for Income tax has been made since the income of the Scheme is exempt under Section 10(44) of the Income Tax Act, 1961.

### 1.9 Net unrealized gain or loss in value of investments

The net unrealized gain or loss in the value of investments is determined separately for each category of investment. The net change in unrealized gain or loss between two balance sheet dates is recognized in the revenue account. Later, the change in unrealized gain (net) in the value of investment is transferred from/to unrealized appreciation reserve through appropriation account.

### 1.10 Unit Premium Reserve

Difference between the issue/redemption price and face value of units is credited / debited to Unit Premium Reserve.

### 1.11 Units reconciliation

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

### 1.12 Investment management fee

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

The Company has charged investment management fee as per the below slab structure basis the aggregate AUM managed by the PFM under all Scheme during the period of operation.

Slab of AUM	Investment Management Fees
Upto 10,000 Cr	0.09%
10,001 - 50,000 Cr	0.06%
50,001 - 1,50,000 Cr	0.05%
Above 1,50,000 Cr	0.03%

### **1.13 Trustee fees**

The Trustee fees is charged to the scheme at 0.005% p.a. on Net Assets Value till 12<sup>th</sup> November 2023 on daily basis. With effect from 13<sup>th</sup> November 2023, the trust fees is charged to the scheme at 0.003% p.a. on Net Assets Value on daily basis.

### **1.14 Other Expenses**

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I**

**Notes to Accounts**

**2.1 Contingent Liabilities**

	March 31, 2024	March 31, 2023
Uncalled liability on partly paid shares	NIL	NIL
Other Commitments	NIL	NIL

**2.2 Investments**

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

**2.3 Details of transaction with sponsors and its related parties**

Nature of Relationship	Name of Related Party
Pension Fund Manager	Max Life Pension Fund Management Limited
Sponsor Company	Max Life Insurance Company Limited
Associates and Group Companies	Max Financial Services Limited Max Life Insurance Company Limited
Holding Company	Max Financial Services Limited Max Life Insurance Company Limited
Key Managerial Personnel	Mr. Ranbheer Dhariwal Mr. Suresh Bhagavatula Mr. Nikhil Kalra (w.e.f 25 July 2023) Mr. Abhishek Bansal Mr. Alkesh Jain

The following represents significant transactions between the company and its related parties for the Year ending 31st March, 2024

Nature of Transactions	March 31, 2024	March 31, 2023
Investment Management Fees (Including GST)	3,68,690	50,130

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	March 31, 2024	March 31, 2023
Investment Management Fees Payable (Net of TDS)	34,690	14,207

**2.4 Provisions**

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

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

	March 31, 2024	March 31, 2023
Average Net Asset Value	1,52,44,74,629	9,67,39,799
Purchase of Investments	1,56,40,46,105	45,10,98,584
% to Average Net Assets Value	103%	466%
Sale of Investments	67,62,67,300	7,06,18,485
% to Average Net Assets Value	44%	73%

**2.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)\***

	March 31, 2024	March 31, 2023
Average Net Asset Value	1,52,44,74,629	9,67,39,799
Purchase of Investments	1,25,48,91,001	38,38,56,185
% to Average Net Assets Value	82%	397%
Sale of Investments	28,99,98,600	1,49,73,084.64
% to Average Net Assets Value	19%	15%

\*Liquid and Overnight Mutual Funds investments are generally held for day to day cash management, hence excluded.

**2.7 Investments falling under each major industry group**

Industry Classification	March 31, 2024	
	Market Value	% of Industry Classification
Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	42,65,40,473.25	22.76%
Manufacture of Other Petroleum n.e.c.	15,59,87,504.70	8.32%
Writing, Modifying, Testing of Computer Program to Meet the Needs of a Particular Client excluding Web-Page Designing	10,80,41,658.95	5.77%
Computer Consultancy and Computer Facilities Management Activities	10,27,99,860.70	5.49%
Other	99,98,35,111	53.35%
Mutual Funds	6,57,67,669	3.51%
Net Current Assets	1,50,33,153	0.80%
<b>Net Asset Value</b>	<b>1,87,40,05,432</b>	<b>100.00%</b>

Industry Classification	March 31, 2023	
	Market Value	% of Industry Classification
Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	9,13,20,097	21.29%
Manufacture of Other Petroleum n.e.c.	3,19,09,743	7.44%
Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	2,17,49,642	5.07%
Writing , Modifying, Testing of Computer Program to Meet the Needs of a Particular Client excluding Web-Page Designing	2,16,09,375	5.04%
Other	24,89,97,507	58.06%
Mutual Funds	1,17,46,003	2.74%
Net Current Assets	15,56,522	0.36%
<b>Net Asset Value</b>	<b>42,88,88,890</b>	<b>100.00%</b>

Note :

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

2. The total value of investments falling under each industry group which constitute not less than 5% of total investments in the major classification of financials.

2.8 Age wise disclosure for shares/debentures/ other application money pending for allotment			
Security Name	Aging	March 31, 2024	March 31, 2023

### 2.9 Prior Year Comparative

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I**

**Key Statistics**

S. No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>NAV Per Unit (Rs.)*</b>		
	As on Opening Date	10.8557	10.0000
	High	12.8633	10.0578
	Low	10.4936	9.1579
	End	12.7117	9.3688
<b>2</b>	<b>Closing Assets Under Management ( Rs. In Lakhs)</b>		
	End	18,740.05	4,288.89
	Average AAuM	15,244.75	885.24
<b>3</b>	<b>Gross income as % of AAuM</b>	16.96%	2.81%
<b>4</b>	<b>Expense Ratio</b>		
	a Total Expense as % of AAuM (Scheme wise)	1.02%	0.64%
	b Management Fee as % of AAuM (Scheme Wise)	0.11%	0.11%
<b>5</b>	<b>Net Income as a percentage of AAuM</b>	15.94%	2.17%
<b>6</b>	<b>Portfolio turnover ratio</b>	0.19	0.17
<b>7</b>	<b>Returns (%)</b>		
	Last (6 Months)	15.87%	0.44%
	Benchmark (6 Months)	18.62%	-1.33%

\* Declared NAV; Returns calculated based on declared NAV

1 NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)

2 AAuM = (Aggregate of the daily AUM in the relevant FY)/(no. of calendar days in the relevant FY)

3 Gross Income = Total Income as per Revenue Account

4 Total Expenses = Total Expenses as per Revenue Account

5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annulised.

6 Net Income = Surplus / Deficit as per Revenue Account

7 Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAuM.  
(Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)

8 Return as presented in point 7 above are absolute return being period less than a year.

**MAX LIFE PENSION FUND  
MANAGEMENT LIMITED**

Scheme E Tier II



**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER II**  
**UNAUDITED BALANCE SHEET AS AT MARCH 31, 2024**

(In Rs.)

Particulars	Schedule	March 31, 2024	March 31, 2023
<b>Liabilities</b>			
<b>Unitholder's Fund</b>			
Unit Capital	1	96,50,916	34,39,270
Reserves and Surplus	2	33,13,120	(23,982)
Current Liabilities and Provisions	3	4,86,620	286
<b>Total</b>		<b>1,34,50,656</b>	<b>34,15,575</b>
<b>Assets</b>			
Investments	4	1,26,61,301	34,12,001
Deposits	5	-	-
Other Current Assets	6	7,89,355	3,574
<b>Total</b>		<b>1,34,50,656</b>	<b>34,15,575</b>
(a) Net assets as per Balance Sheets (4+5+6-3)		1,29,64,036	34,15,288
(b) Number of units outstanding		9,65,092	3,43,927
(c) NAV per unit (a)/ (b)		13.4330	9.9303
<b>Significant accounting policies and notes to accounts</b>	7		

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER II**  
**UNAUDITED REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2024**

(In Rs.)

Particulars	March 31, 2024	March 31, 2023
<b>Income</b>		
Dividend	44,568	7,186
Interest	-	-
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	7,36,011	6,017
Profit on inter-scheme transfer/sale of investments	-	-
Unrealised gain on appreciation in investments	7,40,427	51
Other Income	1	1
<b>Total Income (A)</b>	<b>15,21,007</b>	<b>13,255</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	-	63,076
Provision for investments classified as default	-	-
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)	98,404	16,076
Loss on inter-scheme transfer/sale of investments	-	-
Investment Management fees	5,083	721
NPS Trust reimbursement of expenses	162	34
Depository and settlement charges	663	0
Brokerage on equity transactions	-	-
Stamp Duty	-	-
Custodian fees	-	-
CRA fees	-	1,389
Less: Amount recoverable by sale of units on account of CRA Charges	-	(1,389)
Others	-	-
<b>Total Expenditure (B)</b>	<b>1,04,312</b>	<b>79,907</b>
<b>Surplus/(Deficit) for the period (A-B)</b>	<b>14,16,696</b>	<b>(66,652)</b>
Add: Amount transferred from Unrealised appreciation account	(7,40,427)	63,026
Less: Amount transferred to General Reserve	6,76,269	(3,626)
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Significant accounting policies and notes to accounts</b>	<b>7</b>	

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER II**

**Schedules forming part of the financial statements**

<b>Schedule 1 - Unit Capital</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Outstanding at the beginning of the period	54,82,780	73,987.46
Add: Units issued during the period	1,11,47,532	38,47,894
Less: Units redeemed during the period	69,79,396	4,82,611
<b>Outstanding at the end of the period (₹)</b>	<b>96,50,916</b>	<b>34,39,270</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the period	5,48,278	7,399
Add: Units issued during the period	11,14,753	3,84,789
Less: Units redeemed during the period	6,97,940	48,261
<b>Outstanding Units at the end of the period</b>	<b>9,65,092</b>	<b>3,43,927</b>
<b>Schedule 2 - Reserves and Surplus</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Unit Premium Reserve</b>		
Opening Balance	2,48,994	(418)
Add/(Less): Premium/(Discount) on Units issued	29,49,540	39,461
Add/(Less): Discount/(Premium) on Units redeemed	(19,05,941)	4,431
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>12,92,593</b>	<b>43,475</b>
<b>General Reserve</b>		
Opening Balance	3,58,565	26
Add: Transfer from Revenue Account	6,76,269	(3,626)
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>10,34,834</b>	<b>(3,600)</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	2,45,267	(831)
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	7,40,427	(63,026)
<b>Closing Balance</b>	<b>9,85,693</b>	<b>(63,856)</b>
<b>Total</b>	<b>33,13,120</b>	<b>(23,982)</b>
<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Current Liabilities</b>		
Sundry Creditors	1,506	263
Contract for Purchase of Investments	-	-
<b>Provisions</b>		
Redemption Payable	4,85,022	-
TDS Payable	92	23
<b>Total</b>	<b>4,86,620</b>	<b>286</b>
<b>Schedule 4 - Investments</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	1,25,48,372	33,01,818
Preference Shares	-	-
Debentures and Bonds	-	-
Central and State Government Securities (including bonds guaranteed/fully serviced by Government)	-	-
Commercial Paper	-	-
Treasury Bills	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/Mortgage Based Securities	-	-
Basel III Tier I bonds	-	-
Others - Mutual Fund Units	1,12,929	1,10,183
<b>Total</b>	<b>1,26,61,301</b>	<b>34,12,001</b>

<b>Schedule 5 - Deposits</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Deposits with Scheduled Banks	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Schedule 6 - Other Current Assets</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Balances with bank in current/Savings account	6,80,404	3,501
Cash in hand	-	-
Sundry Debtors	-	-
Contracts for sale of investments	1,08,951	-
Outstanding and accrued income	-	-
Advance, Deposits etc.	-	-
Shares/Debentures/others application money pending allotment (for this age wise disclosure is to be made along with security name)	-	-
Dividend Receivable	-	73
Redemption Receivable on Investment classified as "Default"	-	-
Less: Provision for Redemption Receivable on Investment classified as "Default"	-	-
Amount receivable from other schemes	-	-
Others	-	-
<b>Total</b>	<b>7,89,355</b>	<b>3,574</b>

## NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED

### SCHEME E TIER II

#### Schedule 7

#### Significant accounting policies & notes to accounts for the Half Year ended March 31, 2024

##### 1.1 Background

Max Life Pension Fund Management Ltd., (MLPFML) a Company incorporated under the Companies Act, 2013, and a subsidiary of Max Life Insurance Limited was appointed as a Pension Fund Manager (PFM) by the Pension Fund Regulatory and Development Authority (PFRDA) for the management of Pension Fund and for this purpose it has entered into Investment Management Agreements (IMA). As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. The PFM manage funds of subscribers till attaining the age of superannuation / death / voluntary withdrawal, whichever is earlier.

As per the architecture, Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, and Computer Age Management Services Limited being the Central Recordkeeping Agencies (CRAs) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receive funds on consolidated basis in respect of such allotment/redemption.

**Central Record Keeping Agency (CRA):** Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, Computer Age Management Services Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS.

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

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

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

The Trustee bank i.e. Axis Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

NPS trust has designated Deutsche Bank AG (DB) as the custodian, who is responsible for safe custody of securities and settlements of trades and informs/updates about the corporate actions.

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

CRISIL has been designated as centralised valuation service provider appointed by NPS Trust, who is responsible for providing rates for valuation, which is used by PFM for valuation of investments.

## **1.2 Schemes Particulars**

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

Scheme E - Equity market instruments

Scheme G - Government securities

Scheme C - Credit risk bearing fixed income instruments

Scheme A -Alternate Investment funds

Scheme Tax Saver- Hybrid Investments

Tier-I: This is the non-withdrawable permanent retirement account into which the regular contributions made by the subscriber are credited and invested as per the portfolio/fund manager chosen of the subscriber.

Tier-II: This is a voluntary withdrawable account which is allowed only when there is an active Tier I account in the name of the subscriber. The withdrawals are permitted from this account as per the needs of the subscriber as and when required.

The objective of the schemes is to maximize the risk adjusted return by investing in specified securities as per investing pattern as prescribed by PFRDA.

## **1.3 Basis of preparation**

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and

Auditor's report of Schemes under National Pension System) Guidelines- 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis under the historical cost convention, except valuation of investments, which are 'mark-to-market'.

#### **1.4 Accounting of Unit Capital**

Units are created and redeemed based on the intimation provided by Central Record Keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve.

#### **1.5 Investments**

Transactions for purchase and sale of securities are accounted on trade date at cost and sale price respectively.

The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes, stamp charges and brokerage but exclude other transactional charges. Investments are reconciled with the custodian records on daily basis.

##### **Valuation of Investments**

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

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

As per directive received from NPS Trust, the valuation of investments is carried out by CRISIL Limited w.e.f. April 01, 2022. The Investment valuation methodology adopted by CRISIL Limited is as follows:

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

##### **Securities traded at a stock exchange:**

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

**Securities not traded at a stock exchange:**

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

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

**Valuation of Right Shares:**

Non traded rights are valued at the difference of closing market price of the original equity share for the day and the offer price.

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

**Valuation of Money Market Investment and Mutual Fund**

Money market instruments like, commercial paper, and certificate of deposit are valued at last quoted price / applicable Matrix based valuation for investment grade securities. Mutual fund units are valued based on latest net asset value available (generally preceding day of the valuation date).

**1.6 Income Recognition**

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

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

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

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

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



### 1.7 Computation of NAV

The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

### 1.8 Income Taxes

No Provision for Income tax has been made since the income of the Scheme is exempt under Section 10(44) of the Income Tax Act, 1961.

### 1.9 Net unrealized gain or loss in value of investments

The net unrealized gain or loss in the value of investments is determined separately for each category of investment. The net change in unrealized gain or loss between two balance sheet dates is recognized in the revenue account. Later, the change in unrealized gain (net) in the value of investment is transferred from/to unrealized appreciation reserve through appropriation account.

### 1.10 Unit Premium Reserve

Difference between the issue/redemption price and face value of units is credited / debited to Unit Premium Reserve.

### 1.11 Units reconciliation

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

### 1.12 Investment management fee

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

The Company has charged investment management fee as per the below slab structure basis the aggregate AUM managed by the PFM under all Scheme during the period of operation.

Slab of AUM	Investment Management Fees
Upto 10,000 Cr	0.09%
10,001 - 50,000 Cr	0.06%
50,001 - 1,50,000 Cr	0.05%
Above 1,50,000 Cr	0.03%

### **1.13 Trustee fees**

The Trustee fees is charged to the scheme at 0.005% p.a. on Net Assets Value till 12<sup>th</sup> November 2023 on daily basis. With effect from 13<sup>th</sup> November 2023, the trust fees is charged to the scheme at 0.003% p.a. on Net Assets Value on daily basis.

### **1.14 Other Expenses**

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER II**

**Notes to Accounts**

**2.1 Contingent Liabilities**

	March 31, 2024	March 31, 2023
Uncalled liability on partly paid shares	NIL	NIL
Other Commitments	NIL	NIL

**2.2 Investments**

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

**2.3 Details of transaction with sponsors and its related parties**

Nature of Relationship	Name of Related Party
Pension Fund Manager	Max Life Pension Fund Management Limited
Sponsor Company	Max Life Insurance Company Limited
Associates and Group Companies	Max Financial Services Limited Max Life Insurance Company Limited
Holding Company	Max Financial Services Limited Max Life Insurance Company Limited
Key Managerial Personnel	Mr. Ranbheer Dhariwal Mr. Suresh Bhagavatula Mr. Nikhil Kalra (w.e.f 25 July 2023) Mr. Abhishek Bansal Mr. Alkesh Jain

The following represents significant transactions between the company and its related parties for the Year ending 31st March, 2024

Nature of Transactions	Period ended March 31, 2024	Period ended March 31, 2023
Investment Management Fees (Including GST)	2,611.90	721

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	March 31, 2024	March 31, 2023
Investment Management Fees Payable (Net of TDS)	461.44	208

**2.4 Provisions**

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

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

	March 31, 2024	March 31, 2023
Average Net Asset Value	95,31,243	13,79,476
Purchase of Investments	1,22,88,758	45,86,182
% to Average Net Assets Value	129%	332%
Sale of Investments	41,89,273	11,73,602
% to Average Net Assets Value	44%	85%

**2.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)\***

	March 31, 2024	March 31, 2023
Average Net Asset Value	95,31,243	13,79,476
Purchase of Investments	99,54,958	36,35,882
% to Average Net Assets Value	104%	264%
Sale of Investments	11,17,773	3,14,653.64
% to Average Net Assets Value	12%	23%

\*Liquid and Overnight Mutual Funds investments are generally held for day to day cash management, hence excluded.

**2.7 Investments falling under each major industry group**

Industry Classification	March 31, 2024	
	Market Value	% of Industry Classification
Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	31,13,302.15	24.01%
Manufacture of Other Petroleum n.e.c.	11,02,500.70	8.50%
Writing , Modifying, Testing of Computer Program to Meet the Needs of a Particular Client excluding Web-Page Designing	7,73,099.40	5.96%
Computer Consultancy and Computer Facilities Management Activities	7,39,078.00	5.70%
Other	68,20,391.80	52.61%
Mutual Fund Units	1,12,928.57	0.87%
Net Current Assets	3,02,734.97	2.34%
<b>Net Asset Value</b>	<b>1,29,64,036</b>	<b>100.00%</b>

Industry Classification	March 31, 2023	
	Market Value	% of Industry Classification
Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	7,38,586	21.63%
Manufacture of Other Petroleum n.e.c.	2,68,071	7.85%
Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	1,81,160	5.30%
Writing , Modifying, Testing of Computer Program to Meet the Needs of a Particular Client excluding Web-Page Designing	1,73,296	5.07%
Other	19,40,705	56.82%
Mutual Fund Units	1,10,183	3.23%
Net Current Assets	3,288	0.10%
<b>Net Asset Value</b>	<b>34,15,288</b>	<b>100.00%</b>

Note :

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

2. The total value of investments falling under each industry group which constitute not less than 5% of total investments in the major classification of financials.

#### 2.8 Age wise disclosure for shares/debentures/ other application money pending for allotment

Security Name	Aging	March 31, 2023	
		March 31, 2024	March 31, 2023
		NIL	NIL

#### 2.9 Prior Year Comparative

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER II**

**Key Statistics**

S. No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>NAV Per Unit (Rs.)*</b>		
	As on Opening Date	11.5555	10.0000
	High	13.5758	10.6299
	Low	11.1487	9.7137
	End	13.4330	9.9303
<b>2</b>	<b>Closing Assets Under Management ( Rs. In Lakhs)</b>		
	End	129.64	34.15
	Average (AAUM)	95.31	12.60
<b>3</b>	<b>Gross income as % of AAUM</b>	15.96%	1.05%
<b>4</b>	<b>Expense Ratio</b>		
a	Total Expense as % of AAUM (Scheme wise)	1.09%	6.34%
b	- Management Fee as % of AAUM (Scheme Wise)	0.11%	0.11%
<b>5</b>	<b>Net Income as a percentage of AAUM</b>	14.86%	-5.29%
<b>6</b>	<b>Portfolio turnover ratio</b>	0.12	0.25
<b>7</b>	<b>Returns (%)</b>		
	Last (6 Months)	16.37%	0.97%
	Benchmark (6 Months)	18.62%	-1.33%

1 NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)

2 AAuM = (Aggregate of the daily AUM in the relevant FY)/(no. of calendar days in the relevant FY)

3 Gross Income = Total Income as per Revenue Account

4 Total Expenses = Total Expenses as per Revenue Account

5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annulised.

6 Net Income = Surplus / Deficit as per Revenue Account

7 Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAuM.  
(Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)

8 Return as presented in point 7 above are absolute return being period less than a year.

**MAX LIFE PENSION FUND  
MANAGEMENT LIMITED**

Scheme G Tier I

**NATIONAL PENSION SYSTEM TRUST  
NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED - SCHEME G TIER I  
UNAUDITED BALANCE SHEET AS AT MARCH 31, 2024**

(In Rs.)

Particulars	Schedule	March 31, 2024	March 31, 2023
<b>Liabilities</b>			
<b>Unitholder's Fund</b>			
Unit Capital	1	2,35,47,23,618	62,88,29,643
Reserves and Surplus	2	34,79,92,112	2,75,48,743
Current Liabilities and Provisions	3	5,85,93,205	13,10,69,619
<b>Total</b>		<b>2,76,13,08,935</b>	<b>78,74,48,005</b>
<b>Assets</b>			
Investments	4	2,68,92,72,655	75,16,93,278
Deposits	5	52,00,000	1,20,00,000
Other Current Assets	6	6,68,36,280	2,37,54,726
<b>Total</b>		<b>2,76,13,08,935</b>	<b>78,74,48,005</b>
(a) Net assets as per Balance Sheets (4+5+6-3)		2,70,27,15,729	65,63,78,386
(b) Number of units outstanding		23,54,72,362	6,28,82,964
(c) NAV per unit (a)/(b)		11.4778	10.4381
<b>Significant accounting policies and notes to accounts</b>	7		

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED - SCHEME G TIER I**  
**UNAUDITED REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2024**

(In Rs.)

Particulars	March 31, 2024	March 31, 2023
<b>Income</b>		
Dividend	-	-
Interest	8,43,56,274	51,14,220
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	1,10,22,462	8,23,380
Profit on inter-scheme transfer/sale of investments	-	-
Unrealised gain on appreciation in investments	3,08,58,286	10,17,464
Other Income	-	8
<b>Total Income (A)</b>	<b>12,62,37,022</b>	<b>69,55,072</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	(1,63,06,276)	(65,025)
Provision for investments classified as default	-	-
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)	90,01,235	4,600
Loss on inter-scheme transfer/sale of investments	(5,067)	5,067
Investment Management fees	12,70,978	79,994
NPS Trust reimbursement of expenses	41,373	3,772
Depository and settlement charges	54,413	8,084
Brokerage on equity transactions	-	-
Stamp Duty	-	-
Custodian fees	-	-
CRA fees	-	23,981
Less: Amount recoverable by sale of units on account of CRA Charges	-	(23,981)
Others	-	-
<b>Total Expenditure (B)</b>	<b>(59,43,344)</b>	<b>36,492</b>
<b>Surplus/(Deficit) for the period (A-B)</b>	<b>13,21,80,367</b>	<b>69,18,580</b>
Less: Amount transferred to Unrealised appreciation account	(4,71,64,562)	(10,82,489)
Less: Amount transferred to General Reserve	8,50,15,804	58,36,091
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Significant accounting policies and notes to accounts</b>	<b>7</b>	

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024



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

**Schedules forming part of the financial statements**

<b>Schedule 1 - Unit Capital</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Outstanding at the beginning of the period	1,82,29,13,269	7,67,42,180.40
Add: Units issued during the period	1,48,01,62,446	56,77,43,674
Less: Units redeemed during the period	94,83,52,097	1,56,56,211
<b>Outstanding at the end of the period (₹)</b>	<b>2,35,47,23,618</b>	<b>62,88,29,643</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the period	18,22,91,327	76,74,218
Add: Units issued during the period	14,80,16,245	5,67,74,367
Less: Units redeemed during the period	9,48,35,210	15,65,621
<b>Outstanding Units at the end of the period</b>	<b>23,54,72,362</b>	<b>6,28,82,964</b>
<b>Schedule 2 - Reserves and Surplus</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Unit Premium Reserve</b>		
Opening Balance	11,37,42,182	2,81,748
Add/(Less): Premium/(Discount) on Units issued	16,26,25,085	2,09,40,575
Add/(Less): Discount/(Premium) on Units redeemed	(10,37,39,459)	(5,45,190)
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>17,26,27,808</b>	<b>2,06,77,133</b>
<b>General Reserve</b>		
Opening Balance	5,45,40,320	6,390
Add: Transfer from Revenue Account	8,50,15,804	58,36,091
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>13,95,56,125</b>	<b>58,42,481</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	(1,13,56,383)	(53,360)
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	4,71,64,562	10,82,489
<b>Closing Balance</b>	<b>3,58,08,179</b>	<b>10,29,129</b>
<b>Total</b>	<b>34,79,92,112</b>	<b>2,75,48,743</b>
<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Current Liabilities</b>		
Sundry Creditors	2,58,443	36,403
Contract for Purchase of Investments	5,09,27,417	12,69,62,938
<b>Provisions</b>		
Redemption Payable	73,87,980	40,67,739
TDS Payable	19,365	2,539
<b>Total</b>	<b>5,85,93,205</b>	<b>13,10,69,619</b>
<b>Schedule 4 - Investments</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Investments</b>		
Equity Shares	-	-
Preference Shares	-	-
Debentures and Bonds Listed	-	-
Central and State Government Securities (including bonds guaranteed/fully serviced by Government)	2,58,15,16,297	62,28,65,832
Commercial Paper	-	-
Treasury Bills	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/Mortgage Based Securities	-	-
Basel III Tier I bonds	-	-
Others - Mutual Fund Units	10,77,56,358	12,88,27,446
<b>Total</b>	<b>2,68,92,72,655</b>	<b>75,16,93,278</b>

<b>Schedule 5 - Deposits</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Deposits with Scheduled Banks	-	-
Others	52,00,000	1,20,00,000
<b>Total</b>	<b>52,00,000</b>	<b>1,20,00,000</b>

<b>Schedule 6 - Other Current Assets</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Balances with bank in current/Savings account	2,05,90,476	40,74,779
Cash in hand	-	-
Sundry Debtors	-	-
Contracts for sale of investments	-	1,01,55,417
Outstanding and accrued income	4,62,45,804	95,24,530
Advance, Deposits etc.	-	-
Shares/Debentures/others application money pending allotment (for this age wise disclosure is to b	-	-
Dividend Receivable	-	-
Redemption Receivable on Investment classified as "Default"	-	-
Less: Provision for Redemption Receivable on Investment classified as "Default"	-	-
Others	-	-
<b>Total</b>	<b>6,68,36,280</b>	<b>2,37,54,726</b>

## NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED

### SCHEME G TIER I

#### Schedule 7

#### Significant accounting policies & notes to accounts for the Half Year ended March 31, 2024

##### 1.1 Background

Max Life Pension Fund Management Ltd., (MLPFML) a Company incorporated under the Companies Act, 2013, and a subsidiary of Max Life Insurance Limited was appointed as a Pension Fund Manager (PFM) by the Pension Fund Regulatory and Development Authority (PFRDA) for the management of Pension Fund and for this purpose it has entered into Investment Management Agreements (IMA). As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. The PFM manage funds of subscribers till attaining the age of superannuation / death / voluntary withdrawal, whichever is earlier.

As per the architecture, Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, and Computer Age Management Services Limited being the Central Recordkeeping Agencies (CRAs) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receive funds on consolidated basis in respect of such allotment/redemption.

**Central Record Keeping Agency (CRA):** Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, Computer Age Management Services Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS.

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

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

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

The Trustee bank i.e. Axis Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

NPS trust has designated Deutsche Bank AG (DB) as the custodian, who is responsible for safe custody of securities and settlements of trades and informs/updates about the corporate actions.

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

CRISIL has been designated as centralised valuation service provider appointed by NPS Trust, who is responsible for providing rates for valuation, which is used by PFM for valuation of investments.

## **1.2 Schemes Particulars**

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

Scheme E - Equity market instruments

Scheme G - Government securities

Scheme C - Credit risk bearing fixed income instruments

Scheme A -Alternate Investment funds

Scheme Tax Saver- Hybrid Investments

Tier-I: This is the non-withdrawable permanent retirement account into which the regular contributions made by the subscriber are credited and invested as per the portfolio/fund manager chosen of the subscriber.

Tier-II: This is a voluntary withdrawable account which is allowed only when there is an active Tier I account in the name of the subscriber. The withdrawals are permitted from this account as per the needs of the subscriber as and when required.

The objective of the schemes is to maximize the risk adjusted return by investing in specified securities as per investing pattern as prescribed by PFRDA.

## **1.3 Basis of preparation**

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and

Auditor's report of Schemes under National Pension System) Guidelines- 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis under the historical cost convention, except valuation of investments, which are 'mark-to-market'.

#### 1.4 Accounting of Unit Capital

Units are created and redeemed based on the intimation provided by Central Record Keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve.

#### 1.5 Investments

Transactions for purchase and sale of securities are accounted on trade date at cost and sale price respectively.

The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes, stamp charges and brokerage but exclude other transactional charges. Investments are reconciled with the custodian records on daily basis.

##### **Valuation of Investments**

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

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

As per directive received from NPS Trust, the valuation of investments is carried out by CRISIL Limited w.e.f. April 01, 2022. The Investment valuation methodology adopted by CRISIL Limited is as follows:

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

**Central Government, State Government securities and Treasury bills** are valued based on CRISIL Limited 's internal valuation methodology as follows:

1. For traded securities, Last Traded Yield shall be considered with minimum quantum criteria as A. Gsec- 5 cr and above, B. State Government Securities- 5 cr and above, C. Treasury bill- 25 cr and above. Outlier trade if any(+/- Bps from the model yield) is not considered for the valuation.

2. For non- traded securities, bid-ask level shall be considered for valuation. If bid-ask yields are not available, the previous day's spread over benchmark is carried forward and considered for valuation.
3. Polling for outliers to be adopted for each level.

#### **Valuation of Money Market Instrument and Mutual Fund**

Money market instruments like, commercial paper, and certificate of deposit are valued at last quoted price / applicable Matrix based valuation for investment grade securities. Mutual fund units are valued based on latest net asset value available (generally preceding day of the valuation date).

#### **1.6 Income Recognition**

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

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

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

#### **1.7 Computation of NAV**

The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

#### **1.8 Income Taxes**

No Provision for Income tax has been made since the income of the Scheme is exempt under Section 10(44) of the Income Tax Act, 1961.

#### **1.9 Net unrealized gain or loss in value of investments**

The net unrealized gain or loss in the value of investments is determined separately for each category of investment. The net change in unrealized gain or loss between two balance sheet dates is recognized in the revenue account. Later, the change in unrealized gain (net) in the value of investment is transferred from/to unrealized appreciation reserve through appropriation account.

### 1.10 Unit Premium Reserve

Difference between the issue/redemption price and face value of units is credited / debited to Unit Premium Reserve.

### 1.11 Units reconciliation

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

### 1.12 Investment management fee

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

The Company has charged investment management fee as per the below slab structure basis the aggregate AUM managed by the PFM under all Scheme during the period of operation.

Slab of AUM	Investment Management Fees
Upto 10,000 Cr	0.09%
10,001 - 50,000 Cr	0.06%
50,001 - 1,50,000 Cr	0.05%
Above 1,50,000 Cr	0.03%

### 1.13 Trustee fees

The Trustee fees is charged to the scheme at 0.005% p.a. on Net Assets Value till 12<sup>th</sup> November 2023 on daily basis. With effect from 13<sup>th</sup> November 2023, the trust fees is charged to the scheme at 0.003% p.a. on Net Assets Value on daily basis.

### 1.14 Other Expenses

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

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

**Notes to Accounts**

**2.1 Contingent Liabilities**

	March 31, 2024	March 31, 2023
Uncalled liability on partly paid shares	NIL	NIL
Other Commitments	NIL	NIL

**2.2 Investments**

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

**2.3 Details of transaction with sponsors and its related parties**

Nature of Relationship	Name of Related Party
Pension Fund Manager	Max Life Pension Fund Management Limited
Sponsor Company	Max Life Insurance Company Limited
Associates and Group Companies	Max Financial Services Limited Max Life Insurance Company Limited
Holding Company	Max Financial Services Limited Max Life Insurance Company Limited
Key Managerial Personnel	Mr. Ranbheer Dhariwal Mr. Suresh Bhagavatula Mr. Nikhil Kalra (w.e.f 25 July 2023) Mr. Abhishek Bansal Mr. Alkesh Jain

The following represents significant transactions between the company and its related parties for the Year ending March 31, 2024

Nature of Transactions	Period ended March 31, 2024	Period ended March 31, 2023
Investment Management Fees (Including GST)	5,76,698	79,994

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	March 31, 2024	March 31, 2023
Investment Management Fees Payable (Net of TDS)	43,844	22,847

**2.4 Provisions**

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

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

	March 31, 2024	March 31, 2023
Average Net Asset Value	2,37,50,89,145	14,09,37,838
Purchase of Investments	4,10,18,01,787	1,40,36,68,821
% to Average Net Assets Value	173%	996%
Sale of Investments	4,60,79,98,398	64,51,73,610
% to Average Net Assets Value	194%	458%

**2.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)\***

	March 31, 2024	March 31, 2023
Average Net Asset Value	2,37,50,89,145	14,09,37,838
Purchase of Investments	2,42,01,67,237	72,31,79,246
% to Average Net Assets Value	102%	513%
Sale of Investments	1,77,68,45,398	9,32,17,774.00
% to Average Net Assets Value	75%	66%

\*Liquid and Overnight Mutual Funds investments are generally held for day to day cash management, hence excluded.

**2.7 Investments falling under each major industry group**

Industry Classification	March 31, 2024	
	Market Value	% of Industry Classification
Government Securities	1,63,72,20,815	60.58%
State Development Loans	76,05,26,762	28.14%
Other Approved Securities	18,37,68,720	6.80%
Mutual Fund Units	10,77,56,358	3.99%
Net Current Assets	1,34,43,075	0.50%
<b>Net Asset Value</b>	<b>2,70,27,15,729</b>	<b>100.00%</b>



Industry Classification	March 31, 2023	
	Market Value	% of Industry Classification
Government Securities	31,94,15,828	48.66%
State Development Loans	29,93,63,000	45.61%
Mutual Fund Units	40,87,004	0.62%
Net Current Assets	12,88,27,446	19.63%
	(9,53,14,892)	-14.52%
<b>Net Asset Value</b>	<b>65,63,78,386</b>	<b>100.00%</b>

Note :

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

2. The total value of investments falling under each industry group which constitute not less than 5% of total investments in the major classification of financials.

2.8 Age wise disclosure for shares/debentures/ other application money pending for allotment			
Security Name	Aging	March 31, 2023	
		March 31, 2024	March 31, 2023
		NIL	NIL

#### 2.9 Prior Year Comparative

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

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

**Key Statistics**

S. No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>NAV Per Unit (Rs.)*</b>		
	As on Opening Date	10.8609	10.0000
	High	11.4778	10.4381
	Low	10.7775	9.9892
	End	11.4778	10.4381
<b>2</b>	<b>Closing Assets Under Management ( Rs. In Lakhs)</b>		
	End	27,027.2	6,563.78
	Average (AAuM)	23,750.89	1,409.38
<b>3</b>	<b>Gross income as % of AAuM</b>	5.32%	4.93%
<b>4</b>	<b>Expense Ratio</b>		
	a Total Expense as % of AAuM (Scheme wise)	-0.25%	0.03%
	b Management Fee as % of AAuM (Scheme Wise)	0.11%	0.11%
<b>5</b>	<b>Net Income as a percentage of AAuM</b>	5.57%	4.91%
<b>6</b>	<b>Portfolio turnover ratio</b>	0.75	0.66
<b>7</b>	<b>Returns (%)</b>		
	Last (6 Months)	4.05%	4.06%
	Benchmark (6 Months)	5.88%	4.65%

1 NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)

2 AAuM = (Aggregate of the daily AUM in the relevant FY)/(no. of calendar days in the relevant FY)

3 Gross Income = Total Income as per Revenue Account

4 Total Expenses = Total Expenses as per Revenue Account

5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annualised.

6 Net Income = Surplus / Deficit as per Revenue Account

7 Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAuM.  
(Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)

8 Return as presented in point 7 above are absolute return being period less than a year.

**MAX LIFE PENSION FUND  
MANAGEMENT LIMITED**

Scheme G Tier II

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME G TIER II**  
**UNAUDITED BALANCE SHEET AS AT MARCH 31, 2024**

(In Rs.)

Particulars	Schedule	March 31, 2024	March 31, 2023
<b>Liabilities</b>			
<b>Unitholder's Fund</b>			
Unit Capital	1	68,52,368	13,15,646
Reserves and Surplus	2	8,21,026	43,691
Current Liabilities and Provisions	3	3,62,926	182
<b>Total</b>		<b>80,36,320</b>	<b>13,59,519</b>
<b>Assets</b>			
Investments	4	76,17,422	13,49,104
Deposits	5	-	-
Other Current Assets	6	4,18,898	10,414
<b>Total</b>		<b>80,36,320</b>	<b>13,59,519</b>
(a) Net assets as per Balance Sheets (4+5+6-3)		76,73,394	13,59,336
(b) Number of units outstanding		6,85,237	1,31,565
(c) NAV per unit (a)/(b)		11.1982	10.3321
<b>Significant accounting policies and notes to accounts</b>	7		

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME G TIER II**  
**UNAUDITED REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2024**

(In Rs.)

Particulars	March 31, 2024	March 31, 2023
<b>Income</b>		
Dividend	-	-
Interest	1,11,343	5,815
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	66,472	9,004
Profit on inter-scheme transfer/sale of investments	-	-
Unrealised gain on appreciation in investments	70,586	3,213
Other Income	(0)	0
<b>Total Income (A)</b>	<b>2,48,401</b>	<b>18,033</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	(837)	383
Provision for investments classified as default	-	-
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)	-	-
Loss on inter-scheme transfer/sale of investments	-	-
Investment Management fees	2,751	258
NPS Trust reimbursement of expenses	86	12
Depository and settlement charges	127	79
Brokerage on equity transactions	-	-
Stamp Duty	-	-
Custodian fees	-	-
CRA fees	(442)	487
Less: Amount recoverable by sale of units on account of CRA	442	(487)
Others	-	-
<b>Total Expenditure (B)</b>	<b>2,126</b>	<b>732</b>
<b>Surplus/(Deficit) for the period (A-B)</b>	<b>2,46,275</b>	<b>17,300</b>
Less: Amount transferred to Unrealised appreciation account	(71,424)	(2,830)
Less: Amount transferred to General Reserve	1,74,851	14,470
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Significant accounting policies and notes to accounts</b>	<b>7</b>	

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

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

**Schedules forming part of the financial statements**

<b>Schedule 1 - Unit Capital</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Outstanding at the beginning of the period	29,46,251	31,994,61
Add: Units issued during the period	74,00,151	15,18,584
Less: Units redeemed during the period	34,94,034	2,34,933
<b>Outstanding at the end of the period (₹)</b>	<b>68,52,368</b>	<b>13,15,646</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the period	2,94,625	3,199
Add: Units issued during the period	7,40,015	1,51,858
Less: Units redeemed during the period	3,49,403	23,493
<b>Outstanding Units at the end of the period</b>	<b>6,85,237</b>	<b>1,31,565</b>
<b>Schedule 2 - Reserves and Surplus</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Unit Premium Reserve</b>		
Opening Balance	1,00,022	9
Add/(Less): Premium/(Discount) on Units issued	7,22,354	32,782
Add/(Less): Discount/(Premium) on Units redeemed	(3,57,882)	(6,448)
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>4,64,494</b>	<b>26,343</b>
<b>General Reserve</b>		
Opening Balance	78,614	32
Add: Transfer from Revenue Account	1,74,851	14,470
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>2,53,465</b>	<b>14,502</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	31,643	16
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	71,424	2,830
<b>Closing Balance</b>	<b>1,03,067</b>	<b>2,846</b>
<b>Total</b>	<b>8,21,026</b>	<b>43,691</b>
<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Current Liabilities</b>		
Sundry Creditors	707	174
Contract for Purchase of Investments	-	-
<b>Provisions</b>		
Redemption Payable	3,62,164	-
TDS Payable	55	8
<b>Total</b>	<b>3,62,926</b>	<b>182</b>
<b>Schedule 4 - Investments</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Investments</b>		
Equity Shares	-	-
Preference Shares	-	-
Debentures and Bonds Listed	-	-
Central and State Government Securities (including bonds guaranteed/fully serviced by Government)	56,78,396	6,37,682
Commercial Paper	-	-
Treasury Bills	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/Mortgage Based S	-	-
Basel III Tier I bonds	-	-
Others - Mutual Fund Units	19,39,025	7,11,422
<b>Total</b>	<b>76,17,421</b>	<b>13,49,104</b>

Schedule 5 - Deposits	March 31, 2024	As at March 31, 2023
Deposits with Scheduled Banks	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Schedule 6 - Other Current Assets	March 31, 2024	March 31, 2023
Balances with bank in current/Savings account	3,54,788	471
Cash in hand	-	-
Sundry Debtors	-	-
Contracts for sale of investments	-	-
Outstanding and accrued income	64,110	9,943
Advance, Deposits etc.	-	-
Shares/Debentures/others application money pending allotment (for this age wise disclosure is to b	-	-
Dividend Receivable	-	-
Redemption Receivable on Investment classified as "Default"	-	-
Less: Provision for Redemption Receivable on Investment classified as "Default"	-	-
Others	-	-
<b>Total</b>	<b>4,18,898</b>	<b>10,414</b>

## NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED

### SCHEME G TIER II

#### Schedule 7

#### Significant accounting policies & notes to accounts for the Half Year ended March 31, 2024

##### 1.1 Background

Max Life Pension Fund Management Ltd., (MLPFML) a Company incorporated under the Companies Act, 2013, and a subsidiary of Max Life Insurance Limited was appointed as a Pension Fund Manager (PFM) by the Pension Fund Regulatory and Development Authority (PFRDA) for the management of Pension Fund and for this purpose it has entered into Investment Management Agreements (IMA). As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. The PFM manage funds of subscribers till attaining the age of superannuation / death / voluntary withdrawal, whichever is earlier.

As per the architecture, Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, and Computer Age Management Services Limited being the Central Recordkeeping Agencies (CRAs) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receive funds on consolidated basis in respect of such allotment/redemption.

**Central Record Keeping Agency (CRA):** Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, Computer Age Management Services Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS.

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

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

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



The Trustee bank i.e. Axis Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

NPS trust has designated Deutsche Bank AG (DB) as the custodian, who is responsible for safe custody of securities and settlements of trades and informs/updates about the corporate actions.

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

CRISIL has been designated as centralised valuation service provider appointed by NPS Trust, who is responsible for providing rates for valuation, which is used by PFM for valuation of investments.

## **1.2 Schemes Particulars**

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

Scheme E - Equity market instruments

Scheme G - Government securities

Scheme C - Credit risk bearing fixed income instruments

Scheme A -Alternate Investment funds

Scheme Tax Saver- Hybrid Investments

Tier-I: This is the non-withdrawable permanent retirement account into which the regular contributions made by the subscriber are credited and invested as per the portfolio/fund manager chosen of the subscriber.

Tier-II: This is a voluntary withdrawable account which is allowed only when there is an active Tier I account in the name of the subscriber. The withdrawals are permitted from this account as per the needs of the subscriber as and when required.

The objective of the schemes is to maximize the risk adjusted return by investing in specified securities as per investing pattern as prescribed by PFRDA.

## **1.3 Basis of preparation**

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012,

Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis under the historical cost convention, except valuation of investments, which are 'mark-to-market'.

#### 1.4 Accounting of Unit Capital

Units are created and redeemed based on the intimation provided by Central Record Keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve.

#### 1.5 Investments

Transactions for purchase and sale of securities are accounted on trade date at cost and sale price respectively.

The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes, stamp charges and brokerage but exclude other transactional charges. Investments are reconciled with the custodian records on daily basis.

##### **Valuation of Investments**

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

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

As per directive received from NPS Trust, the valuation of investments is carried out by CRISIL Limited w.e.f. April 01, 2022. The Investment valuation methodology adopted by CRISIL Limited is as follows:

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

**Central Government, State Government securities and Treasury bills** are valued based on CRISIL Limited's internal valuation methodology as follows:

1. For traded securities, Last Traded Yield shall be considered with minimum quantum criteria as A. Gsec- 5 cr and above, B. State Government Securities- 5 cr and above, C. Treasury bill- 25 cr and above. Outlier trade if any(+/- Bps from the model yield) is not considered for the valuation.

2. For non- traded securities, bid-ask level shall be considered for valuation. If bid-ask yields are not available, the previous day's spread over benchmark is carried forward and considered for valuation.
3. Polling for outliers to be adopted for each level.

#### **Valuation of Money Market Instrument and Mutual Fund**

Money market instruments like, commercial paper, and certificate of deposit are valued at last quoted price / applicable Matrix based valuation for investment grade securities. Mutual fund units are valued based on latest net asset value available (generally preceding day of the valuation date).

#### **1.6 Income Recognition**

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

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

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

#### **1.7 Computation of NAV**

The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

#### **1.8 Income Taxes**

No Provision for Income tax has been made since the income of the Scheme is exempt under Section 10(44) of the Income tax Act, 1961.

#### **1.9 Net unrealized gain or loss in value of investments**

The net unrealized gain or loss in the value of investments is determined separately for each category of investment. The net change in unrealized gain or loss between two balance sheet dates is recognized in the revenue account. Later, the change in unrealized gain (net) in the value of investment is transferred from/to unrealized appreciation reserve through appropriation account.

### 1.10 Unit Premium Reserve

Difference between the issue/redemption price and face value of units is credited / debited to Unit Premium Reserve.

### 1.11 Units reconciliation

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

### 1.12 Investment management fee

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

The Company has charged investment management fee as per the below slab structure basis the aggregate AUM managed by the PFM under all Scheme during the period of operation.

Slab of AUM	Investment Management Fees
Upto 10,000 Cr	0.09%
10,001 - 50,000 Cr	0.06%
50,001 - 1,50,000 Cr	0.05%
Above 1,50,000 Cr	0.03%

### 1.13 Trustee fees

The Trustee fees is charged to the scheme at 0.005% p.a. on Net Assets Value till 12<sup>th</sup> November 2023 on daily basis. With effect from 13<sup>th</sup> November 2023, the trust fees is charged to the scheme at 0.003% p.a. on Net Assets Value on daily basis.

### 1.14 Other Expenses

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME G TIER II**

**Notes to Accounts**

<b>2.1 Contingent Liabilities</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Uncalled liability on partly paid shares	NIL	NIL
Other Commitments	NIL	NIL

**2.2 Investments**

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

**2.3 Details of transaction with sponsors and its related parties**

<b>Nature of Relationship</b>	<b>Name of Related Party</b>
<b>Pension Fund Manager</b>	Max Life Pension Fund Management Limited
<b>Sponsor Company</b>	Max Life Insurance Company Limited
<b>Associates and Group Companies</b>	Max Financial Services Limited Max Life Insurance Company Limited
<b>Holding Company</b>	Max Financial Services Limited Max Life Insurance Company Limited
<b>Key Managerial Personnel</b>	Mr. Ranbheer Dhariwal Mr. Suresh Bhagavatula Mr. Nikhil Kalra (w.e.f 25 July 2023) Mr. Abhishek Bansal Mr. Alkesh Jain

The following represents significant transactions between the company and its related parties for the Year ending March 31, 2024

<b>Nature of Transactions</b>	<b>Period ended March 31, 2024</b>	<b>Period ended March 31, 2023</b>
Investment Management Fees (Including GST)	1,341	258

Balance with Max Life Pension Fund Management Limited are as follows

<b>Nature of Transactions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Investment Management Fees Payable (Net of TDS)	275	76

**2.4 Provisions**

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

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

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Average Net Asset Value	51,69,625	4,94,784
Purchase of Investments	1,56,01,228	25,93,452
% to Average Net Assets Value	302%	524%
Sale of Investments	1,56,30,500	12,76,336
% to Average Net Assets Value	302%	258%

**2.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)\***

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Average Net Asset Value	51,69,625	4,94,784
Purchase of Investments	40,59,278	6,45,602.35
% to Average Net Assets Value	79%	130%
Sale of Investments	-	-
% to Average Net Assets Value	0%	0%

\*Liquid and Overnight Mutual Funds investments are generally held for day to day cash management, hence excluded.

**2.7 Investments falling under each major industry group**

<b>Industry Classification</b>	<b>March 31, 2024</b>	
	<b>Market Value</b>	<b>% of Industry Classification</b>
Government Securities	44,41,078	57.88%
State Development Loans	12,37,319	16.12%
Mutual Fund Units	19,39,025	25.27%
Net Current Assets	55,972	0.73%
<b>Net Asset Value</b>	<b>76,73,394</b>	<b>100.00%</b>

<b>Industry Classification</b>	<b>March 31, 2023</b>	
	<b>Market Value</b>	<b>% of Industry Classification</b>
Government Securities	3,91,643	28.81%
State Development Loans	2,46,039	18.10%
Mutual Fund Units	7,11,422	52.34%
Net Current Assets	10,232	0.75%
<b>Net Asset Value</b>	<b>13,59,336</b>	<b>100.00%</b>

Note :

1. Industry classification has been taken at sub class level of National Industrial Classification (NIC) 2008
2. The total value of investments falling under each industry group which constitute not less than 5% of total investments in the major classification of financials.

**2.8 Age wise disclosure for shares/debentures/ other application money pending for allotment**

Security Name	Aging	March 31, 2024	March 31, 2023
		NIL	NIL

**2.9 Prior Year Comparative**

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME G TIER II**

**Key Statistics**

S. No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>NAV Per Unit (Rs.)*</b>		
	As on Opening Date	10.7137	10.0000
	High	11.1982	10.3321
	Low	10.6969	9.9968
	End	11.1982	10.3321
<b>2</b>	<b>Closing Assets Under Management ( Rs. In Lakhs)</b>		
	End	76.73	13.59
	Average (AAuM)	51.70	4.52
<b>3</b>	<b>Gross income as % of AAuM</b>	4.81%	3.99%
<b>4</b>	<b>Expense Ratio</b>		
a	Total Expense as % of AAuM (Scheme wise)	0.04%	0.16%
b	Management Fee as % of AAuM (Scheme Wise)	0.11%	0.11%
<b>5</b>	<b>Net Income as a percentage of AAuM</b>	4.76%	3.83%
<b>6</b>	<b>Portfolio turnover ratio</b>	-	-
<b>7</b>	<b>Returns (%)</b>		
	Last (6 Months)	3.69%	3.14%
	Benchmark (6 Months)	5.88%	4.65%

1 NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)

2 AAuM = (Aggregate of the daily AUM in the relevant FY)/(no. of calendar days in the relevant FY)

3 Gross Income = Total Income as per Revenue Account

4 Total Expenses = Total Expenses as per Revenue Account

5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annulised.

6 Net Income = Surplus / Deficit as per Revenue Account

7 Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAuM.  
(Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)

8 Return as presented in point 7 above are absolute return being period less than a year.

**MAX LIFE PENSION FUND  
MANAGEMENT LIMITED**

Scheme C Tier I



NATIONAL PENSION SYSTEM TRUST  
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER I  
UNAUDITED BALANCE SHEET AS AT MARCH 31, 2024

(In Rs.)

Particulars	Schedule	March 31, 2024	March 31, 2023
<b>Liabilities</b>			
<b>Unitholder's Fund</b>			
Unit Capital	1	1,04,40,51,994	32,42,86,478
Reserves and Surplus	2	11,70,93,839	94,79,385
Current Liabilities and Provisions	3	2,03,83,238	4,57,75,370
<b>Total</b>		<b>1,18,15,29,071</b>	<b>37,95,41,233</b>
<b>Assets</b>			
Investments	4	1,13,18,63,442	37,30,75,608
Deposits	5	-	-
Other Current Assets	6	4,96,65,629	64,65,626
<b>Total</b>		<b>1,18,15,29,071</b>	<b>37,95,41,233</b>
(a) Net assets as per Balance Sheets (4+5+6-3)		1,16,11,45,833	33,37,65,863
(b) Number of units outstanding		10,44,05,199	3,24,28,648
(c) NAV per unit (a)/(b)		11.1215	10.2923
<b>Significant accounting policies and notes to accounts</b>	7		

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER I**  
**UNAUDITED REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2024**

(In Rs.)

Particulars	March 31, 2024	March 31, 2023
<b>Income</b>		
Dividend	-	-
Interest	3,72,03,157	15,26,436
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	9,68,715	6,96,479
Profit on inter-scheme transfer/sale of investments	(2,205)	2,205
Unrealised gain on appreciation in investments	11,25,517	4,08,096
Other Income	2	17
<b>Total Income (A)</b>	<b>3,92,95,186</b>	<b>26,33,232</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	(17,98,674)	(72,272)
Provision for investments classified as default	-	-
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)	19,33,811	44,393
Loss on inter-scheme transfer/sale of investments	-	-
Investment Management fees	5,28,977	34,025
NPS Trust reimbursement of expenses	17,248	1,605
Depository and settlement charges	3,950	1,176
Brokerage on equity transactions	-	-
Stamp Duty	-	-
Custodian fees	-	-
CRA fees	-	13,708
Less: Amount recoverable by sale of units on account of CRA	-	(13,708)
Others	-	-
<b>Total Expenditure (B)</b>	<b>6,85,312</b>	<b>8,927</b>
<b>Surplus/(Deficit) for the period (A-B)</b>	<b>3,86,09,873</b>	<b>26,24,305</b>
Less: Amount transferred to Unrealised appreciation account	(29,24,190)	(4,80,368)
Less: Amount transferred to General Reserve	3,56,85,683	21,43,937
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Significant accounting policies and notes to accounts</b>	<b>7</b>	

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER I**

**Schedules forming part of the financial statements**

<b>Schedule 1 - Unit Capital</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Outstanding at the beginning of the period	79,67,87,190	-
Add: Units issued during the period	62,28,79,932	3,26,46,238
Less: Units redeemed during the period	37,56,15,128	23,493
<b>Outstanding at the end of the period (₹)</b>	<b>1,04,40,51,994</b>	<b>3,26,22,744</b>

<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the period	7,96,78,719	-
Add: Units issued during the period	6,22,87,993	32,64,624
Less: Units redeemed during the period	3,75,61,513	2,349
<b>Outstanding Units at the end of the period</b>	<b>10,44,05,199</b>	<b>32,62,274</b>

<b>Schedule 2 - Reserves and Surplus</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Unit Premium Reserve</b>		
Opening Balance	3,33,86,243	-
Add/(Less): Premium/(Discount) on Units issued	5,45,85,287	(85,670)
Add/(Less): Discount/(Premium) on Units redeemed	(3,16,62,143)	114
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>5,63,09,388</b>	<b>(85,556)</b>

<b>General Reserve</b>		
Opening Balance	2,35,60,013	-
Add: Transfer from Revenue Account	3,56,85,683	1,411
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>5,92,45,696</b>	<b>1,411</b>

<b>Unrealised Appreciation Account</b>		
Opening Balance	(13,85,435)	-
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	29,24,190	(74,677)
<b>Closing Balance</b>	<b>15,38,756</b>	<b>(74,677)</b>
<b>Total</b>	<b>11,70,93,839</b>	<b>(1,58,822)</b>

<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Current Liabilities</b>		
Sundry Creditors	95,190	15,218
Contract for Purchase of Investments	1,82,26,022	4,52,13,961
<b>Provisions</b>		
Redemption Payable	20,53,913	5,45,006
TDS Payable	8,113	1,185
<b>Total</b>	<b>2,03,83,238</b>	<b>4,57,75,370</b>

<b>Schedule 4 - Investments</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	-	-
Preference Shares	-	-
Debentures and Bonds	1,05,46,71,728	22,41,75,254
Central and State Government Securities (including bonds guaranteed/fully serviced by Government)	-	-
Commercial Paper	-	4,82,048
Treasury Bills	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/ Asset Backed Securities/Mortgage Based S	-	-
Basel III Tier 1 bonds	-	-
Others - Mutual Fund Units	7,71,91,713	14,84,18,306
<b>Total</b>	<b>1,13,18,63,441</b>	<b>37,30,75,608</b>

<b>Schedule 5 - Deposits</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Deposits with Scheduled Banks	-	-
Others	-	-
<b>Total</b>		<b>-</b>
<b>Schedule 6 - Other Current Assets</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Balances with bank in current/Savings account	1,22,28,947	5,49,446
Cash in hand	-	-
Sundry Debtors	-	-
Contracts for sale of investments	-	20,17,990
Outstanding and accrued income	3,74,36,683	38,98,190
Advance, Deposits etc.	-	-
Shares/Debentures/others application money pending allotment (for this age wise disclosure is to be made along with security name)	-	-
Dividend Receivable	-	-
Redemption Receivable on Investment classified as "Default"	-	-
Less: Provision for Redemption Receivable on Investment classified as "Default"	-	-
Others	-	-
<b>Total</b>	<b>4,96,65,629</b>	<b>64,65,626</b>

## NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED

### SCHEME C TIER I

#### Schedule 7

#### Significant accounting policies & notes to accounts for the Half year ended March 31, 2024

##### 1.1 Background

Max Life Pension Fund Management Ltd., (MLPFML) a Company incorporated under the Companies Act, 2013, and a subsidiary of Max Life Insurance Limited was appointed as a Pension Fund Manager (PFM) by the Pension Fund Regulatory and Development Authority (PFRDA) for the management of Pension Fund and for this purpose it has entered into Investment Management Agreements (IMA). As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. The PFM manage funds of subscribers till attaining the age of superannuation / death / voluntary withdrawal, whichever is earlier.

As per the architecture, Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, and Computer Age Management Services Limited being the Central Recordkeeping Agencies (CRAs) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receive funds on consolidated basis in respect of such allotment/redemption.

**Central Record Keeping Agency (CRA):** Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, Computer Age Management Services Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS.

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

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

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

The Trustee bank i.e. Axis Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

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CRISIL has been designated as centralised valuation service provider appointed by NPS Trust, who is responsible for providing rates for valuation, which is used by PFM for valuation of investments.

## **1.2 Schemes Particulars**

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

Scheme E - Equity market instruments

Scheme G - Government securities

Scheme C - Credit risk bearing fixed income instruments

Scheme A -Alternate Investment funds

Scheme Tax Saver- Hybrid Investments

Tier-I: This is the non-withdrawable permanent retirement account into which the regular contributions made by the subscriber are credited and invested as per the portfolio/fund manager chosen of the subscriber.

Tier-II: This is a voluntary withdrawable account which is allowed only when there is an active Tier I account in the name of the subscriber. The withdrawals are permitted from this account as per the needs of the subscriber as and when required.

The objective of the schemes is to maximize the risk adjusted return by investing in specified securities as per investing pattern as prescribed by PFRDA.

## **1.3 Basis of preparation**

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and

Auditor's report of Schemes under National Pension System) Guidelines- 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis under the historical cost convention, except valuation of investments, which are 'mark-to-market'.

#### **1.4 Accounting of Unit Capital**

Units are created and redeemed based on the intimation provided by Central Record Keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve.

#### **1.5 Investments**

Transactions for purchase and sale of securities are accounted on trade date at cost and sale price respectively.

The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes, stamp charges and brokerage but exclude other transactional charges. Investments are reconciled with the custodian records on daily basis.

##### **Valuation of Investments**

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

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

As per directive received from NPS Trust, the valuation of investments is carried out by CRISIL Limited w.e.f. April 01, 2022. The Investment valuation methodology adopted by CRISIL Limited is as follows:

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

##### **Securities traded at a stock exchange:**

Traded debt securities (other than government securities) are valued at weighted average traded price on that day reported on National Stock Exchange (NSE) /Bombay Stock Exchange (BSE). Preference is given to NSE trade over BSE trade.

**Securities not traded at a stock exchange:**

Non-traded debt securities (i.e. securities not reported on exchanges) are valued at a yield to maturity basis by using matrix of spread over risk free asset constructed by CRISIL Limited. Matrix is classified into two categories TRAD & NPR. TRAD Matrix (Comprises of sectors like MFTG, BANK, HFC) & NPR Matrix (Comprises of sectors like NBFC, Real Estate). Matrix is constructed basis each rating category and for all tenor. Any security falling into respective matrix type (TRAD or NPR) are valued as per that matrix basis conservative rating of that security and modified duration.

**Valuation of securities having call and/or Put options:**

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

**Valuation of Partly Paid up Bonds**

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

**Valuation of debt securities below Investment grade of BBB-**

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

On Friday or on last working day before the market holiday, the valuation convention shall be T+1 for corporate bonds.

**Valuation of Money Market Investment and Mutual Fund**

Money market instruments like, commercial paper, and certificate of deposit are valued at last quoted price / applicable Matrix based valuation for investment grade securities. Mutual fund units are valued based on latest net asset value available (generally preceding day of the valuation date).

**1.6 Income Recognition**

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



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

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

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

### **1.7 Computation of NAV**

The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

### **1.8 Income Taxes**

No Provision for Income tax has been made since the income of the Scheme is exempt under Section 10(44) of the Income tax Act, 1961.

### **1.9 Net unrealized gain or loss in value of investments**

The net unrealized gain or loss in the value of investments is determined separately for each category of investment. The net change in unrealized gain or loss between two balance sheet dates is recognized in the revenue account. Later, the change in unrealized gain (net) in the value of investment is transferred from/to unrealized appreciation reserve through appropriation account.

### **1.10 Unit Premium Reserve**

Difference between the issue/redemption price and face value of units is credited / debited to Unit Premium Reserve.

### **1.11 Units reconciliation**

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

### **1.12 Investment management fee**

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

The Company has charged investment management fee as per the below slab structure basis the aggregate AUM managed by the PFM under all Scheme during the period of operation.

<b>Slab of AUM</b>	<b>Investment Management Fees</b>
Upto 10,000 Cr	0.09%
10,001 - 50,000 Cr	0.06%
50,001 - 1,50,000 Cr	0.05%
Above 1,50,000 Cr	0.03%

### 1.13 Trustee fees

The Trustee fees is charged to the scheme at 0.005% p.a. on Net Assets Value till 12<sup>th</sup> November 2023 on daily basis. With effect from 13<sup>th</sup> November 2023, the trust fees is charged to the scheme at 0.003% p.a. on Net Assets Value on daily basis.

### 1.14 Other Expenses

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER I**

**Notes to Accounts**

2.1 Contingent Liabilities	March 31, 2024	March 31, 2023
Uncalled liability on partly paid shares	NIL	NIL
Other Commitments	NIL	NIL

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

2.3 Details of transaction with sponsors and its related parties	
Nature of Relationship	Name of Related Party
Pension Fund Manager	Max Life Pension Fund Management Limited
Sponsor Company	Max Life Insurance Company Limited
Associates and Group Companies	Max Financial Services Limited Max Life Insurance Company Limited
Holding Company	Max Financial Services Limited Max Life Insurance Company Limited
Key Managerial Personnel	Mr. Ranbheer Dhariwal Mr. Suresh Bhagavatula Mr. Nikhil Kalra (w.e.f 25 July 2023) Mr. Abhishek Bansal Mr. Alkesh Jain

The following represents significant transactions between the company and its related parties for the Year ending 31st March, 2024

Nature of Transactions	Period ended March 31, 2024	Period ended March 31, 2023
Investment Management Fees (Including GST)	2,21,768	34,025

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	March 31, 2024	March 31, 2023
Investment Management Fees Payable (Net of TDS)	17,673	10,665

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

2.5 Aggregate value of purchase and sale with percentage to average assets	March 31, 2024	March 31, 2023
Average Net Asset Value	98,83,41,286	6,58,94,426
Purchase of Investments	1,69,66,44,995	98,77,45,165
% to Average Net Assets Value	172%	1499%
Sale of Investments	1,79,50,79,645	62,59,24,696
% to Average Net Assets Value	182%	950%

2.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)*	March 31, 2024	March 31, 2023
Average Net Asset Value	98,83,41,286	6,58,94,426
Purchase of Investments	42,57,79,995	21,98,38,665
% to Average Net Assets Value	43%	334%
Sale of Investments	23,28,10,644.93	57,38,864.26
% to Average Net Assets Value	24%	9%

\*Liquid and Overnight Mutual Funds investments are generally held for day to day cash management, hence excluded.

2.7 Investments falling under each major industry group		
Industry Classification	March 31, 2024	
	Market Value	% of Industry Classification
Other Credit Granting	42,70,54,220	36.78%
Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	15,64,80,098	13.48%
Other Monetary Intermediation Services n.e.c.	8,34,78,134	7.19%
Transmission of Electric Energy	6,84,11,322	5.89%
Other	31,92,48,704	27.49%
Mutual Fund	7,71,91,713	6.65%
Net Current Assets	2,92,82,392	2.52%
<b>Net Asset Value</b>	<b>1,16,11,46,583</b>	<b>100.00%</b>

Industry Classification	March 31, 2023	
	Market Value	% of Industry Classification
Other Credit Granting	5,17,31,668	15.50%
Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	3,34,42,115	10.02%
Other Civil Engineering Projects n.e.c.	3,00,11,040	8.99%
Electric Power Generation by Hydroelectric Power Plants	2,82,64,704	8.47%
Other	8,12,07,775	24.33%
Mutual Fund	14,84,18,306	44.47%
Net Current Assets	(3,93,09,744)	-11.78%
<b>Net Asset Value</b>	<b>33,37,65,863</b>	<b>100.00%</b>

Note :

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

2. The total value of investments falling under each industry group which constitute not less than 5% of total investments in the major classification of financials.

#### 2.8 Age wise disclosure for shares/debentures/ other application money pending for allotment

Security Name	Aging	March 31, 2023	
		March 31, 2024	March 31, 2023
		NIL	NIL

#### 2.9 Prior Year Comparative

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER I**

**Key Statistics**

S. No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>NAV Per Unit (Rs.)*</b>		
	As on Opening Date	10.6973	10.0000
	High	11.1215	10.2923
	Low	10.6594	9.9330
	End	11.1215	10.2923
<b>2</b>	<b>Closing Assets Under Management ( Rs. In Lakhs)</b>		
	End	11,611.46	3,337.66
	Average (AAUM)	9,883.41	602.53
<b>3</b>	<b>Gross income as % of AAUM</b>	3.98%	4.37%
<b>4</b>	<b>Expense Ratio</b>		
<b>a</b>	Total Expense as % of AAUM (Scheme wise)	0.07%	0.01%
<b>b</b>	Management Fee as % of AAUM (Scheme Wise)	0.11%	0.11%
<b>5</b>	<b>Net Income as a percentage of AAUM</b>		
<b>6</b>	<b>Portfolio turnover ratio</b>	-	-
<b>7</b>	<b>Returns (%)</b>		
	Last (6 Months)	3.93%	3.43%
	Benchmark (6 Months)	4.12%	3.66%

1 NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)

2 AAuM = (Aggregate of the daily AUM in the relevant FY)/(no. of calendar days in the relevant FY)

3 Gross Income = Total Income as per Revenue Account

4 Total Expenses = Total Expenses as per Revenue Account

5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annulised.

6 Net Income = Surplus / Deficit as per Revenue Account

7 Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAuM.  
 (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)

8 Return as presented in point 7 above are absolute return being period less than a year.

**MAX LIFE PENSION FUND  
MANAGEMENT LIMITED**

Scheme C Tier II

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER II**  
**UNAUDITED BALANCE SHEET AS AT MARCH 31, 2024**

(In Rs.)

Particulars	Schedule	March 31, 2024	March 31, 2023
<b>Liabilities</b>			
<b>Unitholder's Fund</b>			
Unit Capital	1	23,91,523	9,48,355
Reserves and Surplus	2	2,54,119	30,278
Current Liabilities and Provisions	3	2,00,120	83
<b>Total</b>		<b>28,45,762</b>	<b>9,78,716</b>
<b>Assets</b>			
Investments	4	26,52,648	9,77,138
Deposits	5	-	-
Other Current Assets	6	1,93,114	1,577
<b>Total</b>		<b>28,45,762</b>	<b>9,78,716</b>
(a) Net assets as per Balance Sheets (4+5+6-3)		26,45,642	9,78,633
(b) Number of units outstanding		2,39,152	94,835
(c) NAV per unit (a)/(b)		11.0626	10.3193
<b>Significant accounting policies and notes to accounts</b>	7		

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER II**  
**UNAUDITED REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2024**

(In Rs.)

Particulars	March 31, 2024	March 31, 2023
<b>Income</b>		
Dividend	-	-
Interest	770	-
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	57,312	8,182
Profit on inter-scheme transfer/sale of investments	-	-
Unrealised gain on appreciation in investments	14,611	2,823
Other Income	0	1
<b>Total Income (A)</b>	<b>72,694</b>	<b>11,006</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	-	-
Provision for investments classified as default	-	-
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)	-	-
Loss on inter-scheme transfer/sale of investments	-	-
Investment Management fees	1,060	185
NPS Trust reimbursement of expenses	34	9
Depository and settlement charges	30	-
Brokerage on equity transactions	-	-
Stamp Duty	-	-
Custodian fees	-	-
CRA fees	(465)	430
Less: Amount recoverable by sale of units on account of CRA	465	(430)
Others	-	-
<b>Total Expenditure (B)</b>	<b>1,123</b>	<b>194</b>
<b>Surplus/(Deficit) for the period (A-B)</b>	<b>71,570</b>	<b>10,812</b>
Less: Amount transferred to Unrealised appreciation account	(14,611)	(2,823)
Less: Amount transferred to General Reserve	56,960	7,988
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Significant accounting policies and notes to accounts</b>	<b>7</b>	

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024



**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED - SCHEME C TIER II**

**Schedules forming part of the financial statements**

<b>Schedule 1 - Unit Capital</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Outstanding at the beginning of the period	14,71,402	30,788,10
Add: Units issued during the period	35,56,482	10,05,075
Less: Units redeemed during the period	26,36,361	87,508
<b>Outstanding at the end of the period (₹)</b>	<b>23,91,523</b>	<b>9,48,355</b>

<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the period	1,47,140	3,079
Add: Units issued during the period	3,55,648	1,00,507
Less: Units redeemed during the period	2,63,636	8,751
<b>Outstanding Units at the end of the period</b>	<b>2,39,152</b>	<b>94,835</b>

<b>Schedule 2 - Reserves and Surplus</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Unit Premium Reserve</b>		
Opening Balance	38,612	20
Add/(Less): Premium/(Discount) on Units issued	3,27,983	21,376
Add/(Less): Discount/(Premium) on Units redeemed	(2,44,435)	(1,977)
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>1,22,160</b>	<b>19,419</b>

<b>General Reserve</b>		
Opening Balance	19,597	32
Add: Transfer from Revenue Account	56,960	7,988
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>76,557</b>	<b>8,020</b>

<b>Unrealised Appreciation Account</b>		
Opening Balance	40,792	15
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	14,611	2,823
<b>Closing Balance</b>	<b>55,403</b>	<b>2,838</b>
<b>Total</b>	<b>2,54,119</b>	<b>30,278</b>

<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Current Liabilities</b>		
Sundry Creditors	242	76
Contract for Purchase of Investments	-	-
<b>Provisions</b>		
Redemption Payable	1,99,858	-
TDS Payable	19	7
<b>Total</b>	<b>2,00,120</b>	<b>83</b>

<b>Schedule 4 - Investments</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	-	-
Preference Shares	-	-
Debentures and Bonds	9,60,608	-
Central and State Government Securities (including bonds guaranteed/fully serviced by Government)	-	-
Commercial Paper	-	-
Treasury Bills	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/ Asset Backed Securities/Mortgage Based S	-	-
Basel III Tier I bonds	-	-
Others - Mutual Fund Units	16,92,040	9,77,138
<b>Total</b>	<b>26,52,648</b>	<b>9,77,138</b>

<b>Schedule 5 - Deposits</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Deposits with Scheduled Banks	-	-
Other Deposits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Schedule 6 - Other Current Assets</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Balances with bank in current/Savings account	1,69,614	1,577
Cash in hand		
Sundry Debtors		
Contracts for sale of investments	-	-
Outstanding and accrued income	23,500	-
Advance, Deposits etc.	-	-
Shares/Debentures/others application money pending allotment (for this age wise disclosure is to be made along with security name)	-	-
Dividend Receivable	-	-
Redemption Receivable on Investment classified as "Default"	-	-
Less: Provision for Redemption Receivable on Investment classified as "Default"	-	-
Others	-	-
<b>Total</b>	<b>1,93,114</b>	<b>1,577</b>

## NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED

### SCHEME C TIER II

#### Schedule 6

#### Significant accounting policies & notes to accounts for the Half Year ended March 31, 2024

##### 1.1 Background

Max Life Pension Fund Management Ltd., (MLPFML) a Company incorporated under the Companies Act, 2013, and a subsidiary of Max Life Insurance Limited was appointed as a Pension Fund Manager (PFM) by the Pension Fund Regulatory and Development Authority (PFRDA) for the management of Pension Fund and for this purpose it has entered into Investment Management Agreements (IMA). As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. The PFM manage funds of subscribers till attaining the age of superannuation / death / voluntary withdrawal, whichever is earlier.

As per the architecture, Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, and Computer Age Management Services Limited being the Central Recordkeeping Agencies (CRAs) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receive funds on consolidated basis in respect of such allotment/redemption.

**Central Record Keeping Agency (CRA):** Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, Computer Age Management Services Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS.

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

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

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

The Trustee bank i.e. Axis Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

NPS trust has designated Deutsche Bank AG (DB) as the custodian, who is responsible for safe custody of securities and settlements of trades and informs/updates about the corporate actions.

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

CRISIL has been designated as centralised valuation service provider appointed by NPS Trust, who is responsible for providing rates for valuation, which is used by PFM for valuation of investments.

## **1.2 Schemes Particulars**

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

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Tier-I: This is the non-withdrawable permanent retirement account into which the regular contributions made by the subscriber are credited and invested as per the portfolio/fund manager chosen of the subscriber.

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The objective of the schemes is to maximize the risk adjusted return by investing in specified securities as per investing pattern as prescribed by PFRDA.

## **1.3 Basis of preparation**

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and

Auditor's report of Schemes under National Pension System) Guidelines- 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis under the historical cost convention, except valuation of investments, which are 'mark-to-market'.

#### **1.4 Accounting of Unit Capital**

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Transactions for purchase and sale of securities are accounted on trade date at cost and sale price respectively.

The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes, stamp charges and brokerage but exclude other transactional charges. Investments are reconciled with the custodian records on daily basis.

##### **Valuation of Investments**

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

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As per directive received from NPS Trust, the valuation of investments is carried out by CRISIL Limited w.e.f. April 01, 2022. The Investment valuation methodology adopted by CRISIL Limited is as follows:

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

##### **Securities traded at a stock exchange:**

Traded debt securities (other than government securities) are valued at weighted average traded price on that day reported on National Stock Exchange (NSE) /Bombay Stock Exchange (BSE). Preference is given to NSE trade over BSE trade.

**Securities not traded at a stock exchange:**

Non-traded debt securities (i.e. securities not reported on exchanges) are valued at a yield to maturity basis by using matrix of spread over risk free asset constructed by CRISIL Limited. Matrix is classified into two categories TRAD & NPR. TRAD Matrix (Comprises of sectors like MFTG, BANK, HFC) & NPR Matrix (Comprises of sectors like NBFC, Real Estate). Matrix is constructed basis each rating category and for all tenor. Any security falling into respective matrix type (TRAD or NPR) are valued as per that matrix basis conservative rating of that security and modified duration.

**Valuation of securities having call and/or Put options:**

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

**Valuation of Partly Paid up Bonds**

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

**Valuation of debt securities below Investment grade of BBB-**

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

On Friday or on last working day before the market holiday, the valuation convention shall be T+1 for corporate bonds.

**Valuation of Money Market Investment and Mutual Fund**

Money market instruments like, commercial paper, and certificate of deposit are valued at last quoted price / applicable Matrix based valuation for investment grade securities. Mutual fund units are valued based on latest net asset value available (generally preceding day of the valuation date).

**1.6 Income Recognition**

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

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

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

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

### **1.7 Computation of NAV**

The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

### **1.8 Income Taxes**

No Provision for Income tax has been made since the income of the Scheme is exempt under Section 10(44) of the Income tax Act, 1961.

### **1.9 Net unrealized gain or loss in value of investments**

The net unrealized gain or loss in the value of investments is determined separately for each category of investment. The net change in unrealized gain or loss between two balance sheet dates is recognized in the revenue account. Later, the change in unrealized gain (net) in the value of investment is transferred from/to unrealized appreciation reserve through appropriation account.

### **1.10 Unit Premium Reserve**

Difference between the issue/redemption price and face value of units is credited / debited to Unit Premium Reserve.

### **1.11 Units reconciliation**

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

### **1.12 Investment management fee**

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

The Company has charged investment management fee as per the below slab structure basis the aggregate AUM managed by the PFM under all Scheme during the period of operation.

<b>Slab of AUM</b>	<b>Investment Management Fees</b>
Upto 10,000 Cr	0.09%
10,001 - 50,000 Cr	0.06%
50,001 - 1,50,000 Cr	0.05%
Above 1,50,000 Cr	0.03%

### 1.13 Trustee fees

The Trustee fees is charged to the scheme at 0.005% p.a. on Net Assets Value till 12<sup>th</sup> November 2023 on daily basis. With effect from 13<sup>th</sup> November 2023, the trust fees is charged to the scheme at 0.003% p.a. on Net Assets Value on daily basis.

### 1.14 Other Expenses

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



**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER II**

**Notes to Accounts**

**2.1 Contingent Liabilities**

	March 31, 2024	March 31, 2023
Uncalled liability on partly paid shares	NIL	NIL
Other Commitments	NIL	NIL

**2.2 Investments**

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

**2.3 Details of transaction with sponsors and its related parties**

Nature of Relationship	Name of Related Party
Pension Fund Manager	Max Life Pension Fund Management Limited
Sponsor Company	Max Life Insurance Company Limited
Associates and Group Companies	Max Financial Services Limited Max Life Insurance Company Limited
Holding Company	Max Financial Services Limited Max Life Insurance Company Limited
Key Managerial Personnel	Mr. Ranbheer Dhariwal Mr. Suresh Bhagavatula Mr. Nikhil Kalra (w.e.f 25 July 2023) Mr. Abhishek Bansal Mr. Alkesh Jain

The following represents significant transactions between the company and its related parties for the Year ending 31st March, 2024

Nature of Transactions	Period ended March 31, 2024	Period ended March 31, 2023
Investment Management Fees (Including GST)	283.02	185

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	March 31, 2024	March 31, 2023
Investment Management Fees Payable (Net of TDS)	70.80	60

**2.3 Provisions**

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

**2.4 Aggregate value of purchase and sale with percentage to average assets**

	March 31, 2024	March 31, 2023
Average Net Asset Value	19,84,476	3,54,682
Purchase of Investments	25,91,452	18,36,200
% to Average Net Assets Value	131%	518%
Sale of Investments	23,75,200	8,99,382
% to Average Net Assets Value	120%	254%

**2.5 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)\***

	March 31, 2024	March 31, 2023
Average Net Asset Value	19,84,476	3,54,682
Purchase of Investments	9,81,402.01	-
% to Average Net Assets Value	49%	0%
Sale of Investments	-	-
% to Average Net Assets Value	0%	0%

\*Liquid and Overnight Mutual Funds investments are generally held for day to day cash management, hence excluded.

**2.6 Investments falling under each major industry group**

Industry Classification	March 31, 2024	
	Market Value	% of Industry Classification
Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	9,60,608	36.31%
Mutual Fund	16,92,040	63.96%
Net Current Assets	(7,006)	-0.26%

**Net Asset Value** **26,45,642** **100%**

Industry Classification	March 31, 2023	
	Market Value	% of Industry Classification
Mutual Fund	9,77,138	99.85%
Net Current Assets	1,495	0.15%

**Net Asset Value** **9,78,633** **100.00%**

Note :

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

2. The total value of investments falling under each industry group which constitute not less than 5% of total investments in the major classification of financials.

**2.7 Age wise disclosure for shares/debentures/ other application money pending for allotment**

Security Name	Aging	March 31, 2024	March 31, 2023
		NIL	NIL

**2.8 Prior Year Comparative**

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER II**

**Key Statistics**

S. No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>NAV Per Unit (Rs.)*</b>		
	As on Opening Date	10.6728	10.0000
	High	11.0626	10.3193
	Low	10.6836	9.9995
	End	11.0626	10.3193
<b>2</b>	<b>Closing Assets Under Management ( Rs. In Lakhs)</b>		
	End	26.46	9.79
	Average (AAUM)	19.84	3.25
<b>3</b>	<b>Gross income as % of AAUM</b>	3.66%	3.39%
<b>4</b>	<b>Expense Ratio</b>		
<b>a</b>	Total Expense as % of AAUM (Scheme wise)	0.06%	0.06%
<b>b</b>	Management Fee as % of AAUM (Scheme Wise)	0.11%	0.11%
<b>5</b>	<b>Net Income as a percentage of AAUM</b>	3.61%	3.33%
<b>6</b>	<b>Portfolio turnover ratio</b>	-	-
<b>7</b>	<b>Returns (%)</b>		
	Last (6 Months)	3.43%	2.97%
	Benchmark (6 Months)	4.12%	3.66%

1 NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)

2 AAuM = (Aggregate of the daily AUM in the relevant FY)/(no. of calendar days in the relevant FY)

3 Gross Income = Total Income as per Revenue Account

4 Total Expenses = Total Expenses as per Revenue Account

5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annulised.

6 Net Income = Surplus / Deficit as per Revenue Account

7 Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAuM.  
 (Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)

8 Return as presented in point 7 above are absolute return being period less than a year.

**MAX LIFE PENSION FUND  
MANAGEMENT LIMITED**

Scheme A Tier I

NATIONAL PENSION SYSTEM TRUST  
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME A TIER I  
UNAUDITED BALANCE SHEET AS AT MARCH 31, 2024

(In Rs.)

Particulars	Schedule	March 31, 2024	March 31, 2023
<b>Liabilities</b>			
<b>Unitholder's Fund</b>			
Unit Capital	1	21,44,703	6,72,211
Reserves and Surplus	2	(1,02,616)	(74,446)
Current Liabilities and Provisions	3	144	50
<b>Total</b>		<b>20,42,231</b>	<b>5,97,814</b>
<b>Assets</b>			
Investments	4	20,08,446	5,97,084
Deposits	5	-	-
Other Current Assets	6	33,785	730
<b>Total</b>		<b>20,42,231</b>	<b>5,97,814</b>
(a) Net assets as per Balance Sheets (4+5+6-3)		20,42,087	5,97,765
(b) Number of units outstanding		2,14,470	67,221
(c) NAV per unit (a)/(b)		9.5215	8.8925
<b>Significant accounting policies and notes to accounts</b>	7		

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME A TIER I**  
**UNAUDITED REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2024**

(In Rs.)

Particulars	March 31, 2024	March 31, 2023
<b>Income</b>		
Dividend	-	-
Interest	-	-
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	26,105	7,036
Profit on inter-scheme transfer/sale of investments	-	-
Unrealised gain on appreciation in investments	23,218	1,871
Other Income	-	(1)
<b>Total Income (A)</b>	<b>49,323</b>	<b>8,906</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	-	-
Provision for investments classified as default	-	-
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)	-	-
Loss on inter-scheme transfer/sale of investments	-	-
Investment Management fees	736	154
NPS Trust reimbursement of expenses	24	7
Depository and settlement charges	-	-
Brokerage on equity transactions	-	-
Stamp Duty	-	-
Custodian fees	-	-
CRA fees	-	237
Less: Amount recoverable by sale of units on account of CRA	-	(237)
Others	-	-
<b>Total Expenditure (B)</b>	<b>760</b>	<b>161</b>
<b>Surplus/(Deficit) for the period (A-B)</b>	<b>48,563</b>	<b>8,745</b>
Less: Amount transferred to Unrealised appreciation account	(23,218)	(1,871)
Less: Amount transferred to General Reserve	25,345	6,874
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Significant accounting policies and notes to accounts</b>	<b>7</b>	

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED - SCHEME A TIER I**

**Schedules forming part of the financial statements**

<b>Schedule 1 - Unit Capital</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Outstanding at the beginning of the period	12,52,996	1,68,699.43
Add: Units issued during the period	19,45,570	6,15,446
Less: Units redeemed during the period	10,53,862	1,11,934.35
<b>Outstanding at the end of the period (₹)</b>	<b>21,44,703</b>	<b>6,72,211</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the period	1,25,300	16,870
Add: Units issued during the period	1,94,557	61,545
Less: Units redeemed during the period	1,05,386	11,193
<b>Outstanding Units at the end of the period</b>	<b>2,14,470</b>	<b>67,221</b>
<b>Schedule 2 - Reserves and Surplus</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Unit Premium Reserve</b>		
Opening Balance	(1,38,710)	(23,139)
Add/(Less): Premium/(Discount) on Units issued	(1,11,264)	(74,058)
Add/(Less): Discount/(Premium) on Units redeemed	61,318	13,884
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>(1,88,656)</b>	<b>(83,313)</b>
<b>General Reserve</b>		
Opening Balance	7,201	59
Add: Transfer from Revenue Account	25,345	6,874
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>32,547</b>	<b>6,932</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	30,275	63
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	23,218	1,871
<b>Closing Balance</b>	<b>53,493</b>	<b>1,934</b>
<b>Total</b>	<b>(1,02,616)</b>	<b>(74,446)</b>
<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Current Liabilities</b>		
Sundry Creditors	132	46
Contract for Purchase of Investments	-	-
<b>Provisions</b>		
Redemption Payable	-	-
TDS Payable	12	4
<b>Total</b>	<b>143</b>	<b>50</b>
<b>Schedule 4 - Investments</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	-	-
Preference Shares	-	-
Debentures and Bonds Listed	-	-
Central and State Government Securities (including bonds guaranteed/fully serviced by Government)	-	-
Commercial Paper	-	-
Treasury Bills	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/Mortgage Based Securities	-	-
Basel III Tier I bonds	-	-
Others - Mutual Fund Units	20,08,446	5,97,084
<b>Total</b>	<b>20,08,446</b>	<b>5,97,084</b>

Schedule 5 - Deposits		March 31, 2024	
Deposits with Scheduled Banks	-	-	-
Others	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
Schedule 6 - Other Current Assets		March 31, 2024	March 31, 2023
Balances with bank in current/Savings account	33,785	730	730
Cash in hand	-	-	-
Sundry Debtors	-	-	-
Contracts for sale of investments	-	-	-
Outstanding and accrued income	-	-	-
Advance, Deposits etc.	-	-	-
Shares/Debentures/others application money pending allotment (for this age wise disclosure is to b	-	-	-
Dividend Receivable	-	-	-
Redemption Receivable on Investment classified as "Default"	-	-	-
Less: Provision for Redemption Receivable on Investment classified as "Default"	-	-	-
Others	-	-	-
<b>Total</b>	<b>33,785</b>	<b>730</b>	<b>730</b>



## NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED

### SCHEME A TIER I

#### Schedule 7

#### Significant accounting policies & notes to accounts for the Half Year ended March 31, 2024

##### 1.1 Background

Max Life Pension Fund Management Ltd., (MLPFML) a Company incorporated under the Companies Act, 2013, and a subsidiary of Max Life Insurance Limited was appointed as a Pension Fund Manager (PFM) by the Pension Fund Regulatory and Development Authority (PFRDA) for the management of Pension Fund and for this purpose it has entered into Investment Management Agreements (IMA). As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. The PFM manage funds of subscribers till attaining the age of superannuation / death / voluntary withdrawal, whichever is earlier.

As per the architecture, Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, and Computer Age Management Services Limited being the Central Recordkeeping Agencies (CRAs) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receive funds on consolidated basis in respect of such allotment/redemption.

**Central Record Keeping Agency (CRA):** Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, Computer Age Management Services Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS.

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

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

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

The Trustee bank i.e. Axis Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

NPS trust has designated Deutsche Bank AG (DB) as the custodian, who is responsible for safe custody of securities and settlements of trades and informs/updates about the corporate actions.

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

CRISIL has been designated as centralised valuation service provider appointed by NPS Trust, who is responsible for providing rates for valuation, which is used by PFM for valuation of investments.

## **1.2 Schemes Particulars**

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

Scheme E - Equity market instruments

Scheme G - Government securities

Scheme C - Credit risk bearing fixed income instruments

Scheme A -Alternate Investment funds

Scheme Tax Saver- Hybrid Investments

Tier-I: This is the non-withdrawable permanent retirement account into which the regular contributions made by the subscriber are credited and invested as per the portfolio/fund manager chosen of the subscriber.

Tier-II: This is a voluntary withdrawable account which is allowed only when there is an active Tier I account in the name of the subscriber. The withdrawals are permitted from this account as per the needs of the subscriber as and when required.

The objective of the schemes is to maximize the risk adjusted return by investing in specified securities as per investing pattern as prescribed by PFRDA.

## **1.3 Basis of preparation**

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and

Auditor's report of Schemes under National Pension System) Guidelines- 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis under the historical cost convention, except valuation of investments, which are 'mark-to-market'.

#### **1.4 Accounting of Unit Capital**

Units are created and redeemed based on the intimation provided by Central Record Keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve.

#### **1.5 Investments**

Transactions for purchase and sale of securities are accounted on trade date at cost and sale price respectively.

The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes, stamp charges and brokerage but exclude other transactional charges. Investments are reconciled with the custodian records on daily basis.

##### **Valuation of Investments**

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

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

As per directive received from NPS Trust, the valuation of investments is carried out by CRISIL Limited w.e.f. April 01, 2022. The Investment valuation methodology adopted by CRISIL Limited is as follows:

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

##### **Securities traded at a stock exchange:**

Traded debt securities (other than government securities) are valued at weighted average traded price on that day reported on National Stock Exchange (NSE) /Bombay Stock Exchange (BSE). Preference is given to NSE trade over BSE trade.

**Securities not traded at a stock exchange:**

Non-traded debt securities (i.e. securities not reported on exchanges) are valued at a yield to maturity basis by using matrix of spread over risk free asset constructed by CRISIL Limited. Matrix is classified into two categories TRAD & NPR. TRAD Matrix (Comprises of sectors like MFTG, BANK, HFC) & NPR Matrix (Comprises of sectors like NBFC, Real Estate). Matrix is constructed basis each rating category and for all tenor. Any security falling into respective matrix type (TRAD or NPR) are valued as per that matrix basis conservative rating of that security and modified duration.

**Valuation of securities having call and/or Put options:**

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

**Valuation of debt securities below Investment grade of BBB-**

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

On Friday or on last working day before the market holiday, the valuation convention shall be T+1 for corporate bonds.

**Valuation of Money Market Investment and Mutual Fund**

Money market instruments like, commercial paper, and certificate of deposit are valued at last quoted price / applicable Matrix based valuation for investment grade securities. Mutual fund units are valued based on latest net asset value available (generally preceding day of the valuation date).

**1.6 Income Recognition**

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

**1.7 Computation of NAV**

The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

## 1.8 Income Taxes

No Provision for Income tax has been made since the income of the Scheme is exempt under Section 10(44) of the Income Tax Act, 1961.

## 1.9 Net unrealized gain or loss in value of investments

The net unrealized gain or loss in the value of investments is determined separately for each category of investment. The net change in unrealized gain or loss between two balance sheet dates is recognized in the revenue account. Later, the change in unrealized gain (net) in the value of investment is transferred from/to unrealized appreciation reserve through appropriation account.

## 1.10 Unit Premium Reserve

Difference between the issue/redemption price and face value of units is credited / debited to Unit Premium Reserve.

## 1.11 Units reconciliation

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

## 1.12 Investment management fee

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

The Company has charged investment management fee as per the below slab structure basis the aggregate AUM managed by the PFM under all Scheme during the period of operation.

Slab of AUM	Investment Management Fees
Upto 10,000 Cr	0.09%
10,001 - 50,000 Cr	0.06%
50,001 - 1,50,000 Cr	0.05%
Above 1,50,000 Cr	0.03%

## 1.13 Trustee fees

The Trustee fees is charged to the scheme at 0.005% p.a. on Net Assets Value till 12<sup>th</sup> November 2023 on daily basis. With effect from 13<sup>th</sup> November 2023, the trust fees is charged to the scheme at 0.003% p.a. on Net Assets Value on daily basis.

#### 1.14 Other Expenses

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME A TIER I**

**Notes to Accounts**

<b>2.1 Contingent Liabilities</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Uncalled liability on partly paid shares	NIL	NIL
Other Commitments	NIL	NIL

**2.2 Investments**

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

**2.3 Details of transaction with sponsors and its related parties**

<b>Nature of Relationship</b>	<b>Name of Related Party</b>
<b>Pension Fund Manager</b>	Max Life Pension Fund Management Limited
<b>Sponsor Company</b>	Max Life Insurance Company Limited
<b>Associates and Group Companies</b>	Max Financial Services Limited Max Life Insurance Company Limited
<b>Holding Company</b>	Max Financial Services Limited Max Life Insurance Company Limited
<b>Key Managerial Personnel</b>	Mr. Ranbheer Dhariwal Mr. Suresh Bhagavatula Mr. Nikhil Kalra (w.e.f 25 July 2023) Mr. Abhishek Bansal Mr. Alkesh Jain

The following represents significant transactions between the company and its related parties for the Year ending March 31, 2024

<b>Nature of Transactions</b>	<b>Period ended March 31, 2024</b>	<b>Period ended March 31, 2023</b>
Investment Management Fees (Including GST)	280	154

Balance with Max Life Pension Fund Management Limited are as follows

<b>Nature of Transactions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Investment Management Fees Payable (Net of TDS)	30	36

**2.4 Provisions**

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

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

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Average Net Asset Value	13,78,877	2,93,259
Purchase of Investments	17,08,000	10,88,450
% to Average Net Assets Value	124%	371%
Sale of Investments	9,93,000	6,44,536
% to Average Net Assets Value	72%	220%

**2.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)\***

	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Average Net Asset Value	13,78,877	2,93,259
Purchase of Investments	-	-
% to Average Net Assets Value	0%	0%
Sale of Investments	-	-
% to Average Net Assets Value	0%	0%

\*Liquid and Overnight Mutual Funds investments are generally held for day to day cash management, hence excluded.

**2.7 Investments falling under each major industry group**

<b>Industry Classification</b>	<b>March 31, 2024</b>	
	<b>Market Value</b>	<b>% of Industry Classification</b>
Mutual Fund	20,08,446	98.35%
Net Current Assets	33,642	1.65%
<b>Net Asset Value</b>	<b>20,42,088</b>	<b>100.00%</b>

  

<b>Industry Classification</b>	<b>March 31, 2023</b>	
	<b>Market Value</b>	<b>% of Industry Classification</b>
Mutual Fund	5,97,084	99.89%
Net Current Assets	680	0.11%
<b>Net Asset Value</b>	<b>5,97,765</b>	<b>100.00%</b>

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

2. The total value of investments falling under each industry group which constitute not less than 5% of total investments in the major classification of financials.

**2.8 Age wise disclosure for shares/debentures/ other application money pending for allotment**

Security Name	Aging	March 31, 2024	March 31, 2023
		NIL	NIL

**2.9 Prior Year Comparative**

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



**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME A TIER I**

**Key Statistics**

S. No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>NAV Per Unit (Rs.)*</b>		
	As on Opening Date	9.1921	10.0000
	High	9.5215	10.0000
	Low	9.2010	8.6249
	End	9.5215	8.8925
<b>2</b>	<b>Closing Assets Under Management ( Rs. In Lakhs)</b>		
	End	20.42	5.98
	Average AAuM	13.79	2.72
<b>3</b>	<b>Gross income as % of AAuM</b>	3.58%	3.27%
<b>4</b>	<b>Expense Ratio</b>		
	a Total Expense as % of AAuM (Scheme wise)	0.06%	0.06%
	b Management Fee as % of AAuM (Scheme Wise)	0.11%	0.11%
<b>5</b>	<b>Net Income as a percentage of AAuM</b>	3.52%	3.21%
<b>6</b>	<b>Portfolio turnover ratio</b>	-	-
<b>7</b>	<b>Returns (%)</b>		
	Last (6 Months)	3.37%	2.98%
	Benchmark (6 Months)	NA	NA

1 NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)

2 AAuM = (Aggregate of the daily AUM in the relevant FY)/(no. of calendar days in the relevant FY)

3 Gross Income = Total Income as per Revenue Account

4 Total Expenses = Total Expenses as per Revenue Account

5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annualised.

6 Net Income = Surplus / Deficit as per Revenue Account

7 Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAuM.  
(Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)

8 Return as presented in point 7 above are absolute return being period less than a year.

**MAX LIFE PENSION FUND  
MANAGEMENT LIMITED**

Scheme TAX SAVER Tier II

NATIONAL PENSION SYSTEM TRUST  
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME TAX SAVER TIER II  
UNAUDITED BALANCE SHEET AS AT MARCH 31, 2024

(In Rs.)

Particulars	Schedule	March 31, 2024	March 31, 2023
<b>Liabilities</b>			
<b>Unitholder's Fund</b>			
Unit Capital	1	5,01,407	2,08,316
Reserves and Surplus	2	50,239	5,868
Current Liabilities and Provisions	3	42	19
<b>Total</b>		<b>5,51,688</b>	<b>2,14,202</b>
<b>Assets</b>			
Investments	4	5,51,655	2,13,645
Deposits	5	-	-
Other Current Assets	6	33	558
<b>Total</b>		<b>5,51,688</b>	<b>2,14,202</b>
(a) Net assets as per Balance Sheets (4+5+6-3)		5,51,646	2,14,184
(b) Number of units outstanding		50,141	20,832
(c) NAV per unit (a)/(b)		11.0020	10.2817
<b>Significant accounting policies and notes to accounts</b>	7		

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

NATIONAL PENSION SYSTEM TRUST  
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME TAX SAVER TIER II  
UNAUDITED REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2024

(In Rs.)

Particulars	March 31, 2024	March 31, 2023
<b>Income</b>		
Dividend	-	-
Interest	-	-
Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	-	1,574
Profit on inter-scheme transfer/sale of investments	-	-
Unrealised gain on appreciation in investments	13,374	642
Other Income	-	1
<b>Total Income (A)</b>	<b>13,374</b>	<b>2,218</b>
<b>Expenses and losses</b>		
Unrealised losses in value of investments	-	-
Provision for investments classified as default	-	-
Loss on sale/redemption of investments (other than inter-scheme transfer/sale)	-	-
Loss on inter-scheme transfer/sale of investments	-	-
Investment Management fees	204	38
NPS Trust reimbursement of expenses	7	2
Depository and settlement charges	-	-
Brokerage on equity transactions	-	-
Stamp Duty	-	-
Custodian fees	-	-
CRA fees	-	-
Less: Amount recoverable by sale of units on account of CRA	-	-
Charges	-	-
Others	-	-
<b>Total Expenditure (B)</b>	<b>211</b>	<b>40</b>
<b>Surplus/(Deficit) for the period (A-B)</b>	<b>13,163</b>	<b>2,178</b>
Less: Amount transferred to Unrealised appreciation account	(13,374)	(642)
Less: Amount transferred to General Reserve	(211)	1,536
<b>Amount carried forward to Balance Sheet</b>	<b>-</b>	<b>-</b>
<b>Significant accounting policies and notes to accounts</b>	<b>7</b>	

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

For and on behalf of  
Max Life Pension Fund Management Limited

Suresh Bhagavatula  
Chief Financial Officer

Ranbheer Dhariwal  
Chief Executive Officer

Place: Gurugram  
Date: 29th April, 2024

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED - SCHEME TAX SAVER TIER II**

**Schedules forming part of the financial statements**

<b>Schedule 1 - Unit Capital</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Outstanding at the beginning of the period	3,06,711	4,000.00
Add: Units issued during the period	1,94,696	2,04,316
Less: Units redeemed during the period	-	-
<b>Outstanding at the end of the period (₹)</b>	<b>5,01,407</b>	<b>2,08,316</b>
<b>(Face Value of Rs.10/- each unit, fully paid up)</b>		
Outstanding units at the beginning of the period	30,671	400
Add: Units issued during the period	19,470	20,432
Less: Units redeemed during the period	-	-
<b>Outstanding Units at the end of the period</b>	<b>50,141</b>	<b>20,832</b>
<b>Schedule 2 - Reserves and Surplus</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Unit Premium Reserve</b>		
Opening Balance	8,789	-
Add/(Less): Premium/(Discount) on Units issued	17,804	3,684
Add/(Less): Discount/(Premium) on Units redeemed	-	-
Add: Transfer from General Reserve	-	-
<b>Closing Balance</b>	<b>26,593</b>	<b>3,684</b>
<b>General Reserve</b>		
Opening Balance	1,418	3
Add: Transfer from Revenue Account	(211)	1,536
Less: Transfer to Unit Premium Reserve	-	-
<b>Closing Balance</b>	<b>1,207</b>	<b>1,539</b>
<b>Unrealised Appreciation Account</b>		
Opening Balance	9,065	2
Add: Adjustment for Previous years unrealised appreciation reserve	-	-
Add/(Less): Transfer from/(to) Revenue Account	13,374	642
<b>Closing Balance</b>	<b>22,439</b>	<b>645</b>
<b>Total</b>	<b>50,239</b>	<b>5,868</b>
<b>Schedule 3 - Current Liabilities and Provisions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Current Liabilities</b>		
Sundry Creditors	39	17
Contract for Purchase of Investments	-	-
<b>Provisions</b>		
Redemption Payable	-	-
TDS Payable	4	2
<b>Total</b>	<b>42</b>	<b>19</b>
<b>Schedule 4 - Investments</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Investments (Long Term and Short Term)</b>		
Equity Shares	-	-
Preference Shares	-	-
Debentures and Bonds Listed	-	-
Central and State Government Securities (including bonds guaranteed/fully serviced by Government)	-	-
Commercial Paper	-	-
Treasury Bills	-	-
AIF's (Category I and Category II Only)/REITs/INVITs/Asset Backed Securities/Mortgage Based S	-	-
Basel III Tier I bonds	-	-
Others - Mutual Fund Units	5,51,655	2,13,645
<b>Total</b>	<b>5,51,655</b>	<b>2,13,645</b>

Schedule 5 - Deposits		March 31, 2024	
Deposits with Scheduled Banks	-	-	-
Others	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
Schedule 6 - Other Current Assets		March 31, 2024	March 31, 2023
Balances with bank in current/Savings account	33	558	
Cash in hand	-	-	
Sundry Debtors	-	-	
Contracts for sale of investments	-	-	
Outstanding and accrued income	-	-	
Advance, Deposits etc.	-	-	
Shares/Debentures/others application money pending allotment (for this age wise disclosure is to b	-	-	
Dividend Receivable	-	-	
Redemption Receivable on Investment classified as "Default"	-	-	
Less: Provision for Redemption Receivable on Investment classified as "Default"	-	-	
Others	-	-	
<b>Total</b>	<b>33</b>	<b>558</b>	

## NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED

### SCHEME TAX SAVER TIER II

#### Schedule 7

#### Significant accounting policies & notes to accounts for the Half year ended March 31, 2024

##### 1.1 Background

Max Life Pension Fund Management Ltd., (MLPFML) a Company incorporated under the Companies Act, 2013, and a subsidiary of Max Life Insurance Limited was appointed as a Pension Fund Manager (PFM) by the Pension Fund Regulatory and Development Authority (PFRDA) for the management of Pension Fund and for this purpose it has entered into Investment Management Agreements (IMA). As per unbundled architecture of the NPS Trust, the main responsibility of the PFM is to manage funds in accordance with the laid down guidelines and declare NAV. The PFM manage funds of subscribers till attaining the age of superannuation / death / voluntary withdrawal, whichever is earlier.

As per the architecture, Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, and Computer Age Management Services Limited being the Central Recordkeeping Agencies (CRAs) provides consolidated data to PFM for allotment/redemption of units and Axis Bank Ltd., being the Trustee Bank, provides/receive funds on consolidated basis in respect of such allotment/redemption.

**Central Record Keeping Agency (CRA):** Protean eGovernance Infrastructure Ltd., KFin Technologies Private Limited, Computer Age Management Services Ltd and PFRDA have set up Central Recordkeeping Agency (CRA) for the NPS.

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

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

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

The Trustee bank i.e. Axis Bank provides subscription funds on a consolidated basis for all the schemes managed by PFM and credits the same to a control account maintained by the PFM, wherefrom the funds are transferred by the PFM to the respective schemes. The PFM record receipt of funds in the respective schemes only.

NPS trust has designated Deutsche Bank AG (DB) as the custodian, who is responsible for safe custody of securities and settlements of trades and informs/updates about the corporate actions.

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

CRISIL has been designated as centralised valuation service provider appointed by NPS Trust, who is responsible for providing rates for valuation, which is used by PFM for valuation of investments.

## **1.2 Schemes Particulars**

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

Scheme E - Equity market instruments

Scheme G - Government securities

Scheme C - Credit risk bearing fixed income instruments

Scheme A -Alternate Investment funds

Scheme Tax Saver- Hybrid Investments

Tier-I: This is the non-withdrawable permanent retirement account into which the regular contributions made by the subscriber are credited and invested as per the portfolio/fund manager chosen of the subscriber.

Tier-II: This is a voluntary withdrawable account which is allowed only when there is an active Tier I account in the name of the subscriber. The withdrawals are permitted from this account as per the needs of the subscriber as and when required.

The objective of the schemes is to maximize the risk adjusted return by investing in specified securities as per investing pattern as prescribed by PFRDA.

## **1.3 Basis of preparation**

The financial statements have been prepared to comply with the Pension Fund Regulatory and Development Authority Act, 2013, PFRDA (Preparation of financial statements and



Auditor's report of Schemes under National Pension System) Guidelines- 2012, Accounting Standards notified under the Companies Act, 2013 to the extent made applicable by PFRDA (Preparation of financial statements and Auditor's report of Schemes under National Pension System) Guidelines- 2012 and generally accepted accounting principles. These financial statements have been prepared on an accrual basis under the historical cost convention, except valuation of investments, which are 'mark-to-market'.

#### **1.4 Accounting of Unit Capital**

Units are created and redeemed based on the intimation provided by Central Record Keeping Agency (CRA) and the same are reflected as Unit Capital and the net premium or discount to the face value is transferred to the Unit Premium Reserve.

#### **1.5 Investments**

Transactions for purchase and sale of securities are accounted on trade date at cost and sale price respectively.

The holding cost of investments is determined by the weighted average cost method and the cost includes applicable taxes, stamp charges and brokerage but exclude other transactional charges. Investments are reconciled with the custodian records on daily basis.

##### **Valuation of Investments**

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

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

As per directive received from NPS Trust, the valuation of investments is carried out by CRISIL Limited w.e.f. April 01, 2022. The Investment valuation methodology adopted by CRISIL Limited is as follows:

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

##### **Valuation of Corporate Bonds**

###### **Securities traded at a stock exchange:**

Traded debt securities (other than government securities) are valued at weighted average traded price on that day reported on National Stock Exchange (NSE) /Bombay Stock Exchange (BSE). Preference is given to NSE trade over BSE trade.

**Securities not traded at a stock exchange:**

Non-traded debt securities (i.e. securities not reported on exchanges) are valued at a yield to maturity basis by using matrix of spread over risk free asset constructed by CRISIL Limited. Matrix is classified into two categories TRAD & NPR. TRAD Matrix (Comprises of sectors like MFTG, BANK, HFC) & NPR Matrix (Comprises of sectors like NBFC, Real Estate). Matrix is constructed basis each rating category and for all tenor. Any security falling into respective matrix type (TRAD or NPR) are valued as per that matrix basis conservative rating of that security and modified duration.

**Valuation of securities having call and/or Put options:**

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

**Valuation of Partly Paid up Bonds**

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

**Valuation of debt securities below Investment grade of BBB-**

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

On Friday or on last working day before the market holiday, the valuation convention shall be T+1 for corporate bonds.

**Valuation of Government Securities**

**Central Government, State Government securities and Treasury bills are valued based on CRISIL Limited's internal valuation methodology as follows:**

1. For traded securities, Last Traded Yield shall be considered with minimum quantum criteria as A. Gsec- 5 cr and above, B. State Government Securities- 5 cr and above, C. Treasury bill- 25 cr and above. Outlier trade if any(+/- Bps from the model yield) is not considered for the valuation.
2. For non- traded securities, bid-ask level shall be considered for valuation. If bid-ask yields are not available, the previous day's spread over benchmark is carried forward and considered for valuation.
3. Polling for outliers to be adopted for each level.

### **Valuation of Equity**

#### **Securities traded at a stock exchange:**

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

#### **Securities not traded at a stock exchange:**

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

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

#### **Valuation of Right Shares**

Non traded rights are valued at the difference of closing market price of the original equity share for the day and the offer price.

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

#### **Valuation of Money Market Investment and Mutual Fund**

Money market instruments like, commercial paper, and certificate of deposit are valued at last quoted price / applicable Matrix based valuation for investment grade securities. Mutual fund units are valued based on latest net asset value available (generally preceding day of the valuation date).

### **1.6 Income Recognition**

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

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

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

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

Interest income on all interest bearing investment is recognised on daily accrual basis; when investments are purchased, interest paid for the period from the last interest due

date upto the date of purchase is debited to Interest Recoverable Account and not included in cost of purchase. Similarly interest received at the time of sale for the period from the last interest due date upto the date of sale credited to Interest Recoverable Account and not included in sale value.

### 1.7 Computation of NAV

The NAV of the units is determined by dividing the net assets, including investments recognised and valued as per the accounting policies, by the number of outstanding units on the valuation date.

### 1.8 Income Taxes

No Provision for Income tax has been made since the income of the Scheme is exempt under Section 10(44) of the Income Tax Act, 1961.

### 1.9 Net unrealized gain or loss in value of investments

The net unrealized gain or loss in the value of investments is determined separately for each category of investment. The net change in unrealized gain or loss between two balance sheet dates is recognized in the revenue account. Later, the change in unrealized gain (net) in the value of investment is transferred from/to unrealized appreciation reserve through appropriation account.

### 1.10 Unit Premium Reserve

Difference between the issue/redemption price and face value of units is credited / debited to Unit Premium Reserve.

### 1.11 Units reconciliation

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

### 1.12 Investment management fee

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

The Company has charged investment management fee as per the below slab structure basis the aggregate AUM managed by the PFM under all Scheme during the period of operation.

Slab of AUM	Investment Management Fees
Upto 10,000 Cr	0.09%
10,001 - 50,000 Cr	0.06%

50,001 - 1,50,000 Cr	0.05%
Above 1,50,000 Cr	0.03%

### 1.13 **Trustee fees**

The Trustee fees is charged to the scheme at 0.005% p.a. on Net Assets Value till 12<sup>th</sup> November 2023 on daily basis. With effect from 13<sup>th</sup> November 2023, the trust fees is charged to the scheme at 0.003% p.a. on Net Assets Value on daily basis.

### 1.14 **Other Expenses**

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED - SCHEME TAX SAVER TIER II**

**Notes to Accounts**

<b>2.1 Contingent Liabilities</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Uncalled liability on partly paid shares	NIL	NIL
Other Commitments	NIL	NIL

**2.2 Investments**

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

**2.3 Details of transaction with sponsors and its related parties**

<b>Nature of Relationship</b>	<b>Name of Related Party</b>
<b>Pension Fund Manager</b>	Max Life Pension Fund Management Limited
<b>Sponsor Company</b>	Max Life Insurance Company Limited
<b>Associates and Group Companies</b>	Max Financial Services Limited Max Life Insurance Company Limited
<b>Holding Company</b>	Max Financial Services Limited Max Life Insurance Company Limited
<b>Key Managerial Personnel</b>	Mr. Ranbheer Dhariwal Mr. Suresh Bhagavatula Mr. Nikhil Kalra (w.e.f 25 July 2023) Mr. Abhishek Bansal Mr. Alkesh Jain

The following represents significant transactions between the company and its related parties for the Year ending March 31, 2024

<b>Nature of Transactions</b>	<b>Period ended March 31, 2024</b>	<b>Period ended March 31, 2023</b>
Investment Management Fees (Including GST)	72	38

Balance with Max Life Pension Fund Management Limited are as follows

<b>Nature of Transactions</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Investment Management Fees Payable (Net of TDS)	10	14

**2.4 Provisions**

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

<b>2.5 Aggregate value of purchase and sale with percentage to average assets</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Average Net Asset Value	3,81,210	72,431
Purchase of Investments	2,07,200	4,13,400
% to Average Net Assets Value	54%	571%
Sale of Investments	-	2,05,974
% to Average Net Assets Value	0%	284%

<b>2.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)*</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Average Net Asset Value	3,81,210	72,431
Purchase of Investments	-	-
% to Average Net Assets Value	0%	0%
Sale of Investments	-	-
% to Average Net Assets Value	0%	0%

\*Liquid and Overnight Mutual Funds investments are generally held for day to day cash management, hence excluded.

<b>Industry Classification</b>	<b>March 31, 2024</b>	
	<b>Market Value</b>	<b>% of Industry Classification</b>
Mutual Fund	5,51,655	100.00%
Net Current Assets	(9)	0.00%
<b>Net Asset Value</b>	<b>5,51,646</b>	<b>100.00%</b>

<b>Industry Classification</b>	<b>March 31, 2023</b>	
	<b>Market Value</b>	<b>% of Industry Classification</b>
Mutual Fund	2,13,645	99.75%
Net Current Assets	539	0.25%
<b>Net Asset Value</b>	<b>2,14,184</b>	<b>100.00%</b>

Note :

1. Industry classification has been taken at sub class level of National Industrial Classification (NIC) 2008
2. The total value of investments falling under each industry group which constitute not less than 5% of total investments in the major classification of financials.

**2.8 Age wise disclosure for shares/debentures/ other application money pending for allotment**

Security Name	Aging	Aging	March 31, 2024	March 31, 2023
			NIL	NIL

**2.9 Prior Year Comparative**

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

**NATIONAL PENSION SYSTEM TRUST**  
**NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME TAX SAVER TIER II**

**Key Statistics**

S. No.	Particulars	March 31, 2024	March 31, 2023
<b>1</b>	<b>NAV Per Unit (Rs.)*</b>		
	As on Opening Date	10.6283	10.0000
	High	11.0020	10.2817
	Low	10.6387	9.9996
	End	11.0020	10.2817
<b>2</b>	<b>Closing Assets Under Management ( Rs. In Lakhs)</b>		
	End	5.52	2.14
	Average AAuM	3.81	0.66
<b>3</b>	<b>Gross income as % of AAuM</b>	3.51%	3.35%
<b>4</b>	<b>Expense Ratio</b>		
	a Total Expense as % of AAuM (Scheme wise)	0.06%	0.06%
	b Management Fee as % of AAuM (Scheme Wise)	0.11%	0.11%
<b>5</b>	<b>Net Income as a percentage of AAuM</b>	3.45%	3.29%
<b>6</b>	<b>Portfolio turnover ratio</b>	-	-
<b>7</b>	<b>Returns (%)</b>		
	Last (6 Months)	3.37%	2.68%
	Benchmark (6 Months)	7.64%	NA

1 NAV = (Market value of scheme investments + current assets - current liability and provisions, if any) / (no. of scheme units outstanding)

2 AAuM = (Aggregate of the daily AUM in the relevant FY)/(no. of calendar days in the relevant FY)

3 Gross Income = Total Income as per Revenue Account

4 Total Expenses = Total Expenses as per Revenue Account

5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annualised.

6 Net Income = Surplus / Deficit as per Revenue Account

7 Portfolio Turnover = Total of sale or purchase, whichever is lower, divided by AAuM.  
(Investment in liquid mutual fund is excluded from the turnover as the same is primarily for liquidity management)

8 Return as presented in point 7 above are absolute return being period less than a year.