

MAX LIFE PENSION FUND MANAGEMENT LIMITED

- SCHEME E TIER I
- SCHEME E TIER II
- SCHEME G TIER I
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- SCHEME C TIER I
- SCHEME C TIER II
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ANNUAL REPORT

2022-23

To The Subscriber's

Max Life Pension Fund Management Limited ('Max Life Pension') presents its First Annual Report along with the audited financial statements of the Schemes for the period ended March 31, 2023.

During the period ending March 31, 2023, the Company managed the following schemes under the National Pension System (NPS):

- Scheme E Tier I - Equity market instruments,
- Scheme E Tier II - Equity market instruments,
- Scheme G Tier I - Government securities,
- Scheme G Tier II - Government securities,
- Scheme C Tier I - Credit risk bearing fixed income instruments,
- Scheme C Tier II - Credit risk bearing fixed income instruments,
- Scheme A Tier I - Alternative Investment funds,
- Scheme Tax Saver Tier II - Hybrid Investment fund.

(All the above schemes collectively referred as "Schemes" in this document)

The Asset under Management as at March 31, 2023 of all the schemes collectively was Rs. 142.56 Crores.

1. BRIEF BACKGROUND OF THE TRUST, SPONSORS AND PENSION FUND MANAGEMENT COMPANY

a) THE TRUST

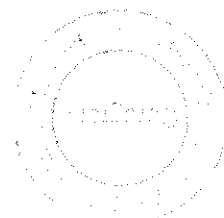
Pension Fund Regulatory and Development Authority ('PFRDA') was established by the Government of India on August 23, 2003 to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.

The National Pension System Trust ('NPS Trust') was established by PFRDA on February 27, 2008 with the execution of the NPS Trust Deed. The NPS Trust has been set up and constituted for taking care of the assets and funds under the National Pension System (NPS) in the interest of the beneficiaries (subscribers). Individual NPS subscribers shall be the beneficiaries of the NPS Trust.

b) SPONSOR

Max Life Insurance Company Limited ("Max Life" / "Sponsor") is the Sponsor of the Company. Max Life is a joint venture between Max Financial Services Limited (MFSL) and Axis Bank. Max Life was incorporated on July 11, 2000 as a Company registered under the erstwhile Companies Act, 1956 ('the Act') and licensed by the Insurance Regulatory and Development Authority of India ('IRDAI') for carrying out Life Insurance business in India. The Sponsor reaches its customers through 269 offices as at March 31, 2023. At March 31, 2023

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the Sponsor has more than 19,000 employees and more than 60,000 advisors and is thus well equipped to cater to the needs of customers.

c) PENSION FUND MANAGEMENT COMPNAY

Max Life Pension Fund Management Limited ('the Company' 'Max Pension') is a wholly owned subsidiary of Max Life Insurance Company Limited (Max Life'). The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on February 28, 2022 with Registration Number U66020HR2022PLC101655 with the purpose of managing pension fund business under the National Pension System, to which Max Life acts as the Sponsor. The Company was granted a Certificate of Registration bearing No. PFRDA/PF/2022/002 to undertake pension management under the National Pension System by the Pension Fund Regulatory and Development Authority ('PFRDA') on April 20, 2022.

As at March 31, 2023, the Share capital of the Company stands at Rs. 55 Crores.

BASIS AND POLICY OF INVESTMENTS

Investment Policy

The Investment Policy for the Company outlines the process and the principles for the management of all the invested assets under different fund categories. Invested assets are all the investments made in market instruments using the Subscribers funds under various schemes and Shareholder Fund.

The Investment Committee of the Board of Directors and the Board of the Directors of the Company ("Board") oversee the investment policy and its implementation makes necessary modifications from time to time to bring it in tune with the requirements of the law and regulations - regarding protection of subscribers' interest and pattern of investment laid down by PFRDA.

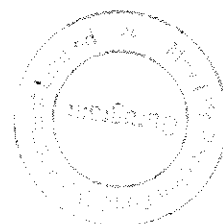
Investment Structure

The broad Investment Structure of the Company is discussed below:

a) **Investment Committee**

The Board of Directors of the Company has constituted an Investment Committee to oversee the investments of the Company. The responsibility for the selection and management of the invested assets rests in the first instance with the Investment Committee. The Investment Committee may delegate this investment authority subject to putting in place consistent control and monitoring mechanisms. The Investment Policy is defined by the Investment Committee to set the contours of the investment activity, process, prudential risk limits and performance objectives.

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b) Investment Front Office

The investment front office is headed by the Chief Investment Officer (CIO) who is responsible for the following set of process among others:

- 1) Market Research
- 2) Investment Recommendations
- 3) Approval of recommendation
- 4) Deal execution & Order Placement
- 5) Deal entry in Front Office System
- 6) Placement of daily funds inflow

c) Investment Mid and Back Office

The Investment Mid and Back office is responsible for the following set of processes among others:

- 1) Fund Accounting
- 2) Trade Settlement
- 3) Investment Compliance
- 4) NAV Calculation & Declaration
- 5) Valuation of Securities
- 6) Regulatory Reporting & Internal MIS

An external Custodian, appointed by PFRDA (presently Deutsche Bank AG (DB)), is responsible for the custody of the assets, tracking corporate actions and undertakes valuation of securities.

Investment Strategy

The investment philosophy of the Company is to meet a consistent long-term return objective while exposing the fund to the least possible risk. The overall investment strategy of the Company is focused on ensuring adequate returns on investments to subscribers consistent with protection, safety and liquidity of the funds alongside complying with the applicable investment guidelines as prescribed under Investment Management Agreement executed with the NPS Trust.

Investments in the Fixed Income instruments are made with the objective of optimising the returns by actively managing the risks associated with fixed income securities like Credit Risk, Interest Rate Risk & Liquidity Risk.

Investments in Equity are made in the selected stocks from the preapproved investment universe with the objective of achieving portfolio returns better than the returns generated by the benchmark index.



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Brief details of investment in various Schemes are as under:

Scheme E: The funds under Scheme E are managed actively with the stock universe prescribed by PFRDA & Investment Committee. Our strategy is to maximize the risk adjusted return by investing in equities.

Scheme G: The funds under Scheme G are invested in State Government and Central Government Securities as per the scheme objective. The scheme is managed actively based on the view on interest rates in the market.

Scheme C: The funds under Scheme C are invested in corporate debentures of rated corporate issuers. Investments in corporate debentures are made in high quality long term debentures following internal due diligence and credit rating from independent credit rating agencies.

Scheme A: The funds under Scheme A are invested in Alternate Investment Funds (AIF), Real Estate Investment Trust (REITs), Mortgage-Backed Securities (MBS), Infrastructure Investment Trusts (InvITs) as per the scheme objective.

Scheme Tax Saver Tier II: This is a composite/hybrid scheme wherein allocation to Equity is done in 10-25% range and debt upto 90%. While asset allocation between debt and equity is done on a dynamic basis respective asset class outlook, the security/stock selection within the chosen asset class is done as per the process followed for Scheme E, C & G.

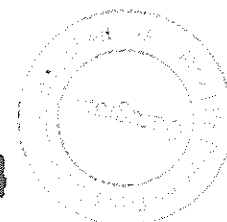
ECONOMIC SCENARIO

2022-23- A year of high volatility and uncertainty

The year began on adverse global geopolitical developments such as the Russia-Ukraine war, impending climate concerns across the globe, high inflationary pressures in the economy and the start of an unprecedented and one of the steepest rate hike cycle in US after a prolonged accommodative policy stance. Monetary tightening and rate hikes were followed by all major global central banks including in India. Like rest of the world, India too was impacted by decadal high commodity prices, aggressive monetary policy tightening and a growth slowdown. Despite that India remained steadfast, becoming the 5th largest economy of the world. India's ability to navigate these headwinds and strike a balance between managing inflation and sustaining growth has been globally acknowledged. The World Bank in its latest India Development Update Report titled "Navigating the Storm", stated that India's economy has demonstrated resilience despite a challenging global external environment. The year also marked the 75th year of India's Independence. It was an extraordinary year, where adversities were plethora, yet our country displayed 'Consistency in the face of storm', combating volatilities through thoughtful strategies and execution, that kept the growth engine robust.

The year gone by holds title to several key events that shocked, shooked & shaped the world like Russia's invasion of Ukraine, Sri-Lankan economic crisis, Xi Jinping's record third term in power, Iran uprising against hijab mandate, UK getting first Indian origin PM, Elon musk taking over Twitter, world population touching 8bn, Brazil shifting to Left with national elections, collapse of Silicon Valley Bank and Credit Suisse.

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Indian Economic outlook

As per the first advance estimates (FAEs) released by the NSO, India's GDP is estimated to grow by 7% in FY23 over FY22. This is a strong growth print compared to the 2.9% global economic growth projected by the IMF for 2023.

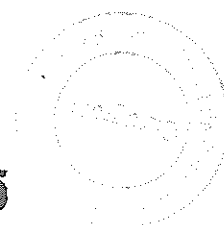
As per the Economic survey, private consumption is expected to grow by 7.7% in FY23. However, this seems optimistic given the 6.7% average annual growth during FY13 - 20 and the slowdown in demand for consumer durables and nondurables that is being experienced. Government consumption is projected to grow by 3.1%, possibly due to optimisation of expenditure on the revenue account. Investment is projected to grow by 11.5%, likely due to increased capital outlay by the Central Government. Agriculture is projected to grow by 3.5% in FY23, likely due to the strong performance of the livestock and fisheries sectors and expectations of good rabi harvest based on increased acreage. Manufacturing is expected to grow by 1.6% with 0.1% growth in H1 and 3% growth in H2. The services sector is projected to grow by 9.1% in FY23 with contact intensive services such as trade, hotels, transport and related services expected to grow by 13.7%. This is due to the revival of the pent-up demand for the hospitality sector and resumption of travel. Financial, real-estate and professional services growth is expected to moderate to 6.4% possibly due to slowdown in the credit growth with rising interest rates and deceleration in the global demand for software and professional services.

High frequency indicators suggest that economic activity remained strong throughout the year.

- a) Consumption indicators (PV & 2W sales, petrol consumption, tractor sales, credit card outstanding, job Index, etc.),
- b) Investment indicators (IIP, Mfg PMI, Electricity generation, Goods exports, etc.),
- c) Services (GST collection, E-way bills, air traffic, services PMI, Insurance premium collection, etc.),
- d) Money and Banking indicators (Credit & Deposit growth, asset quality, etc.) and
- e) Flows (FII negative but strong flows from DII) continued to witness positive momentum throughout the year.

CPI headline inflation has remained above RBI's mandated target of 4% (with a range of +/- 2%) at ~6.5% in 9 out of 11 months in FY23. CPI headline inflation has started to moderate and has been below the upper band of the target range at 5.7 % in December 2022 - after easing to 5.9 per cent in November - on the back of double-digit deflation in vegetable prices. The outlook for inflation is however mixed. While prospects for the Rabi crop has improved, especially for wheat and oilseeds, risks from adverse weather events remain elevated (EL Nino, un-seasonal rains, hailstorms, etc.). The global commodity price outlook, including crude oil, is subject to uncertainties on demand prospects as well as from risks of supply disruptions due to geopolitical tensions. Commodity prices are expected to face upward pressures with the easing of COVID related mobility restrictions in China. The ongoing pass-through of input costs to output prices, especially in services, could continue to exert pressures on core inflation.

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Union Budget

The Economic Survey 2022 offered the cues for transforming India into the brightest spot in the gloomy global economic scenario. The targeted growth rate of above 6% outlined by the Economic Survey had hinted the need for higher capex and boosting consumption. Make in India and Atmanirbharta were emphasised in the Economic Survey. On the fiscal front, the Economic Survey argues that the dividends reaped from fiscal discipline by emerging economies is much higher. Given the above context, we can safely say that the Union Budget 2023 has fulfilled all the major expectations. The key areas of thrust in the budget are as follows:

- **Fiscal Discipline** – Government has set fiscal deficit target for FY24 at 5.9% of GDP. Revised Estimates have reaffirmed meeting the targeted 6.4% of GDP for FY23.
- **Capex boost to economy** – The capex allocation has been increased by 33% and taken to INR 10tn. The very high allocation of INR 2.4tn to railways is good news as roads and railways are sectors that have been able to absorb the higher allocation.
- **Consumption boost** – The announcements on the personal income-tax have been aligned to incentivising taxpayers to move to the new tax regime, wherein the tax slabs have been enhanced and rates have been lowered.
- **Atmanirbharta** – The government had received some criticism previously on the increase of import duties and Atmanirbharta being seen as inward looking. The budget has lowered the customs duties on several components and items used for manufacturing, indicating that India seeks to be a part of the global value chain.
- **Reaping the demographic dividend** – There have been several announcements in the budget for the youth termed as 'Amrit Peedhi', referring to the young demography that will help reap the dividends in the 'Amrit Kaal' – the period up to 2047 by when India aspires to be a developed nation. Supporting MSMEs – Several announcements for supporting MSMEs have been made, and the most important is the continuation of the Credit Guarantee Line for MSMEs with additional allocation to the corpus of INR 90bn that is estimated to facilitate an additional collateral free guaranteed credit of INR 2tn.
- **Sustainable and inclusive growth** – Green growth-related announcements with INR 350bn being allocated for energy transition and PPP-based battery energy storage systems with viability gap funding and allocations for renewable energy evacuation are welcome moves.

Outlook on Equities

Nifty 50 Index (-0.6%) was flat on a y-o-y basis due to global macro challenges, geo-political concerns, resultant FII outflows (Rs.1.98L cr. vs DII inflows of Rs.2.55L cr. during the year) and strong US inflation leading to markets anticipating higher, higher interest rates leading to weaker capital flows towards emerging economies. Mid-cap and small-cap indices were down by nearly 1% and 4.5% y-o-y, respectively. Corporate results of last 3 quarters indicated some slowdown in discretionary consumption. Only segments of the markets witnessing improvement in the near term were banking & financials, capex sectors like industrials & defence companies.

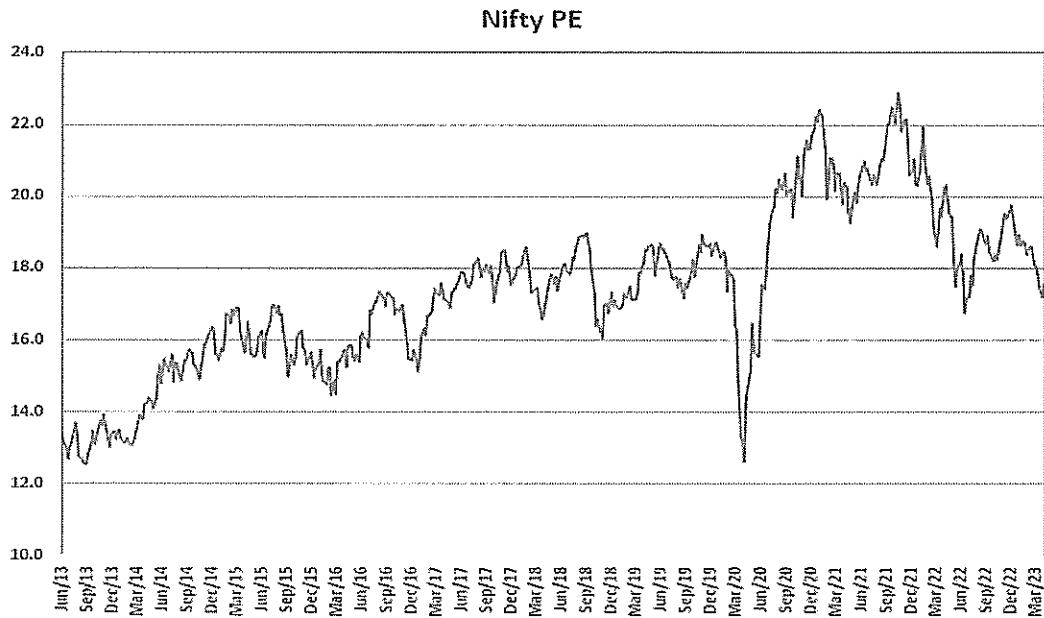
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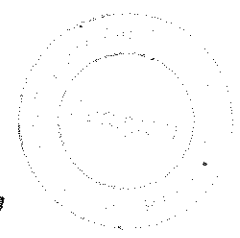
We believe Cyclical rebound is helping India. Equity markets have faced 4 consecutive shocks in the recent years: 1) COVID, 2) High inflation, 3) Geopolitics (Russia-Ukraine war) and 4) Sharp rise in interest rates. Indian economy has been able to withstand these shocks relatively better vs. other economies. This is led by a) Cyclical upturn in many sectors (Real estate, Auto, Banking, Telecom etc.), b) Manufacturing tailwinds led by China+1 & PLI, c) Capex recovery (India Inc. Balance Sheets have strengthened) and d) Consolidation (formalization).

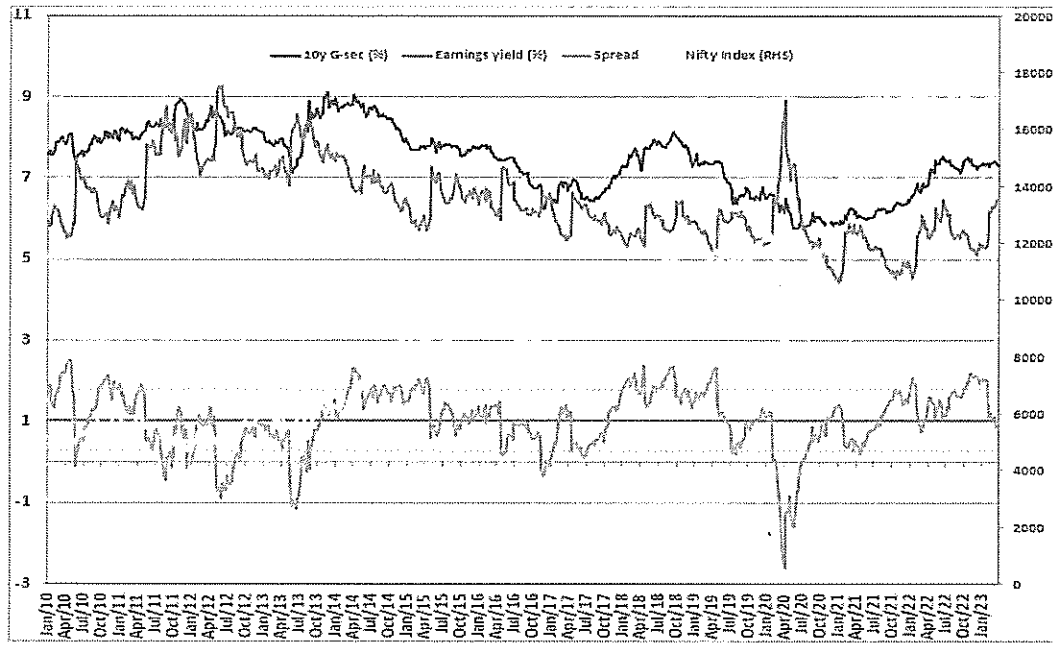
Government has delivered a prudent budget despite being a pre-election budget with emphasis on infra spend and fiscal consolidation. We continue to remain constructive on equities and believe India is on the cusp of achieving robust growth over the next few years. Higher capex provisioning and benefits from PLI (potentially can add 1.5% to GDP over the next 5 years) could potentially revive capex across the sectors, boost employment as well as credit growth. Nevertheless, Indian markets like its global counterparts continued to witness high volatility during the year. The market behaviour, in our view, is more in-line with the Benjamin Graham quote: "In the short run, the market is a voting machine, but in the long run, it is a weighing machine."

The Nifty 50 Index trades at ~17.5x 1-year forward PE compared to a 12-month peak of 22x and 12-month low of ~17x.



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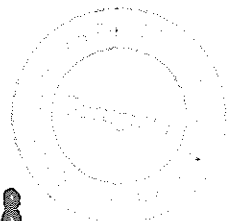
Outlook on Fixed Income

Global Macros

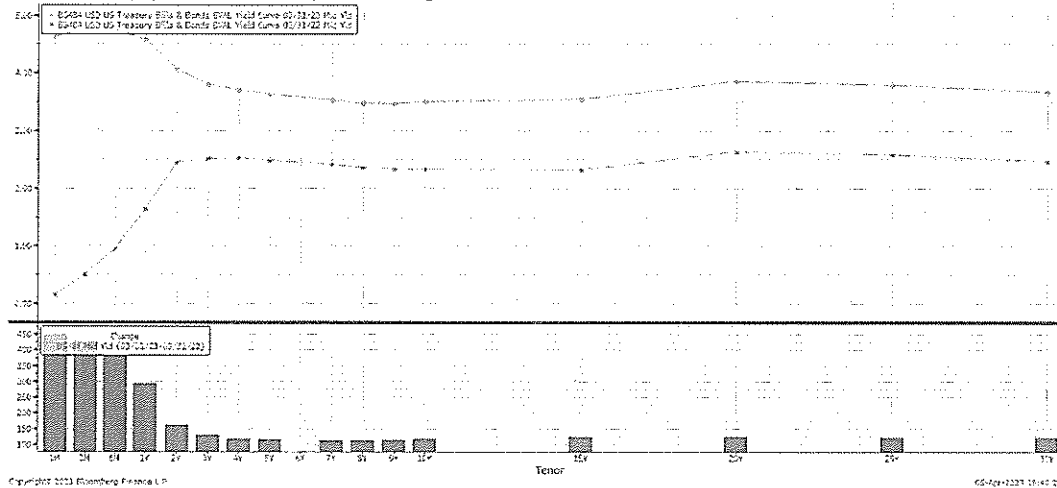
The biggest driver of fixed income markets globally over the last year has been the steady, upward re-calibration of expectations for the terminal level of the US Fed's policy rate. The latest round (including all previous data sets) of inflation data surprised on the upside, and contained trends that point to higher for longer interest rates policy. As inflation pressures persist through much of the U.S. economy, FOMC members have reiterated their commitment to raise rates until inflation is under control. Leading indicators point to core inflation to remain sticky. US payroll data revealed persistent tightness in labor markets. During March 2023, two large banks in the United States with significant exposure to the technology sector & crypto-currency failed (Silver gate and Silicon Valley Bank), while another entered liquidation under financial distress (Signature bank).

Lingering inflation and fears of higher interest rates lifted the 10Y US treasury (UST) yield above 4% from 2.75% a year ago, marking a fresh acceleration for a historic bond market rout. Even as the 10Y UST yield climbed, the 2Y treasury yield, which is more sensitive to US Fed rate expectations, saw steepest rise to 4.5% as on March-23 end from 2.5% a year ago. US treasury yield curve is inverted leading to many participants expecting a recession if not sharp slowdown in growth. The inversion indicates that with strong economic data rolling in, the US Fed's target terminal rate could be above 5% at the end of Dec-23.

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US treasury yield curve (1 year change)



India

Back home RBI also hiked the rates to counter Inflation, protect currency and thereby taper growth expectations. Total repo rate increase was 250bps since May 2022 (effective tightening by 315bps) vs US Fed rate hike of 475bps since March 2022. RBI Monetary Policy Committee (MPC) remained concerned on elevated inflation, especially core inflation while being optimistic on growth. The stance was kept unchanged at "withdrawal of accommodation" during last year. The MPC highlighted upside risks to inflation from (1) adverse weather events, (2) global commodity prices given demand uncertainty and risk of supply disruptions, and (3) ongoing pass-through of input costs.

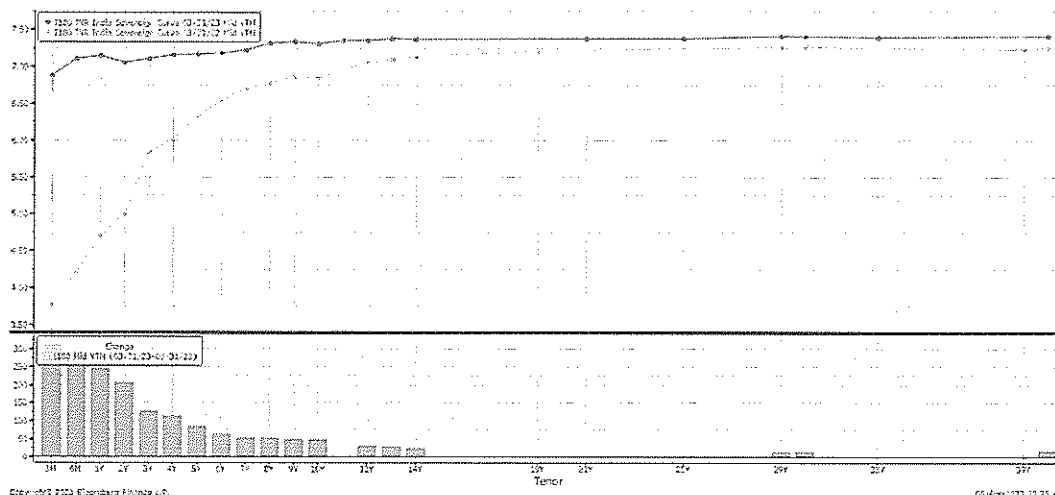
Q3FY23 GDP data indicated growth momentum losing steam. India's real GDP grew 4.4% YoY in the Q3FY23, slower than 6.3% in Q2FY23 and 5.2% in Q3FY22. Demand momentum is expected to slow further, both at the domestic and global levels. The advanced economies may face slower growth in 2023 as their interest rates are already at decadal highs. They account for 45% of India's exports, which might bear the brunt of weaker demand.

Domestically, the transmission of the Reserve Bank of India's rate hikes has picked up since Dec-22, and key rates have either surpassed or reached close to the pre-pandemic 5-year average. The transmission is yet to be completed, which is likely to lead to a further rise in borrowing costs.

Sticky high inflation and anticipated hawkishness from the US Fed due to strong growth numbers in the US may force RBI to continue hiking rates. We believe the asset allocation should tilt towards fixed income investments significantly. This is because of the higher yields provided by the environment's high inflation and rising interest rates. The yield curve shape has also flattened, bringing down term premiums and the extra carry from long-dated securities. With the economic cycle continuing to get weakened and no sight of rate cuts in the near term, we expect credit spreads to expand further. Overall, fixed income yields are above the inflation rate, delivering a positive real rate of return, making it a good year for higher allocation to debt investments.

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India sovereign yield curve (1 year change)



SCHEME PERFORMANCE AND OPERATIONS

Scheme E Tier I - Equity Market Instruments

Scheme Objective

The scheme objective is to maximize the risk adjusted return by investing in equities.

Scheme Performance against Benchmark

The performance of the scheme is measured by reference to the performance of the S&P BSE 200 TRI.

The performance of Scheme E Tier I on March 31, 2023 is presented below:

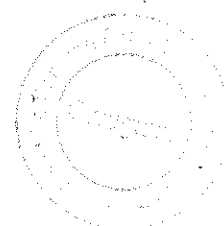
Period	Returns (%) [^]	Benchmark Returns (%) #
6 Months	0.44%	-1.33%

[^] Past performance may or may not be sustained in the future.

Benchmark index: Total Return Index (TRI) for S&P BSE 200 has been used as shared by the CRISIL Limited.

Max Life Pension Fund started managing funds from Sep 2022 onwards. 84% of the current Equity AUM was received as Inflows during Q4FY23. We are currently in portfolio construction stage. Hence, in our view performance vs peer group and vs benchmark is expected to remain highly volatile during this stage. The funds are deployed as per the guidelines prescribed by the Regulator in-order to optimise the returns for the subscribers.

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AUM and Asset Mix

The net assets of the Scheme at March 31, 2023 stood at Rs. 42,88,88,890.

At March 31, 2023, 96.68% of the net assets were invested in Equity Shares and 3.32% in money market instruments and cash/cash equivalent & net current assets.

Scheme E Tier II - Equity market instruments

Scheme Objective

The scheme objective is to maximize the risk adjusted return by investing in equities.

Scheme Performance against Benchmark

The performance of the scheme is measured by reference to the performance of the S&P BSE 200 TRI.

The performance of Scheme E Tier II on March 31, 2023 is presented below:

Period	Returns (%)[^]	Benchmark Returns (%) #
6 Months	0.97%	-1.33%

[^] Past performance may or may not be sustained in the future.

Benchmark index: Total Return Index (TRI) for S&P BSE 200 has been used as shared by the CRISIL Limited.

Max Life Pension Fund started managing funds from Sep 2022 onwards. 82% of the current Equity AUM was received as Inflows during Q4FY23. We are currently in portfolio construction stage. Hence, in our view performance vs peer group and vs benchmark is expected to remain highly volatile during this stage. The funds are deployed as per the guidelines prescribed by the Regulator in-order to optimise the returns for the subscribers.

AUM and Asset Mix

The net assets of the Scheme at March 31, 2023 stood at Rs. 34,15,288.

At March 31, 2023, 96.90% of the net assets were invested in Equity Shares and 3.10% in money market instruments and cash/cash equivalent & net current assets.

Scheme G Tier I - Government securities

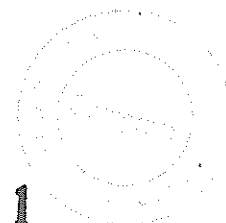
Scheme Objective

The scheme objective is to maximize the risk adjusted return by investing in government securities.

Scheme Performance against Benchmark

The performance of the scheme is measured by reference to the performance of the NPS - Government Securities Index.

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The performance of Scheme G Tier I on March 31, 2023 is presented below:

Period	Returns (%) [^]	Benchmark Returns (%) #
6 Months	4.06%	4.65%

[^] Past performance may or may not be sustained in the future.

Benchmark index: NPS - Government Securities Index

Max Life Pension Fund started managing funds from Sep 2022 onwards. 83% of the current Scheme AUM was received as Inflows during Q4FY23. We are currently in portfolio construction stage. Hence, in our view performance vs peer group and vs benchmark is expected to remain highly volatile during this stage. Currently the funds are deployed as per the investment guidelines prescribed by the Regulator. It is relatively a liquid asset class.

AUM and Asset Mix

The net assets of the Scheme at March 31, 2023 stood at Rs. 65,63,78,386.

At March 31, 2023, 48.66% of the net assets were invested in government securities, 45.61% in State Development Loans, 0.62% in Other Approved Securities and 5.11% in money market instruments and cash/cash equivalent & net current assets.

Scheme G Tier II - Government securities

Scheme Objective

The scheme objective is to maximize the risk adjusted return by investing in government securities.

Scheme Performance against Benchmark

The performance of the scheme is measured by reference to the performance of the NPS - Government Securities Index.

The performance of Scheme G Tier II on March 31, 2023 is presented below:

Period	Returns (%) [^]	Benchmark Returns (%) #
6 Months	3.14%	4.65%

[^] Past performance may or may not be sustained in the future.

Benchmark index: NPS - Government Securities Index

Max Life Pension Fund started managing funds from Sep 2022 onwards. 71% of the current Scheme AUM was received as Inflows during Q4FY23. We are currently in portfolio construction stage. Given small AUM size, majority of the funds currently are deployed in overnight/liquid funds to avoid loss of interest to subscriber. As and when the fund grows in size, we would adhere to investment pattern as prescribed by the Regulator for the scheme in-order to optimise the returns for the investors.

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AUM and Asset Mix

The net assets of the Scheme at March 31, 2023 stood at Rs. 13,59,336.

At March 31, 2023, 28.81% of the net assets were invested in government securities, 18.10% in State Development Loans and 53.09% in money market instruments and cash/cash equivalent & net current assets.

Scheme C Tier I - Credit risk bearing Fixed Income Instruments

Scheme Objective

The scheme objective is to maximize the risk adjusted return by investing in credit risk bearing fixed income instruments.

Scheme Performance against Benchmark

The performance of the scheme is measured by reference to the performance of the NPS - Corporate Bond Index.

The performance of Scheme C Tier I on March 31, 2023 is presented below:

Period	Returns (%) ^	Benchmark Returns (%) #
6 Months	3.43%	3.66%

^ Past performance may or may not be sustained in the future.

Benchmark index: NPS - Corporate Bond Index.

Max Life Pension Fund started managing funds from Sep 2022 onwards. 86% of the current Scheme AUM was received as Inflows during Q4FY23. We are currently in portfolio construction stage. Hence, in our view performance vs peer group and vs benchmark is expected to remain highly volatile during this stage. The funds are deployed in high credit and relatively lower risk assets with objective to optimise the return to the subscribers.

AUM and Asset Mix

The net assets of the Scheme at March 31, 2023 stood at Rs. 33,37,65,863.

At March 31, 2023, 67.17% of the net assets were invested in bonds and non-convertible debentures and 32.83% in money market instruments and cash/cash equivalent & net current assets.

Scheme C Tier II - Credit risk bearing Fixed Income Instruments

Scheme Objective

The scheme objective is to maximize the risk adjusted return by investing in credit risk bearing fixed income instruments.

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Scheme Performance against Benchmark

The performance of the scheme is measured by reference to the performance of the NPS – Corporate Bond Index.

The performance of Scheme C Tier II on March 31, 2023 is presented below:

Period	Returns (%) ^	Benchmark Returns (%) #
6 Months	2.97%	3.66%

^ Past performance may or may not be sustained in the future.

Benchmark index: NPS - Corporate Bond Index.

Max Life Pension Fund started managing funds from Sep 2022 onwards. 35% of the current Scheme AUM was received as Inflows during Q4FY23. Given very small AUM, we had deployed the entire funds in Overnight/Liquid funds to avoid loss of accrual to subscribers. As and when the fund grows in size, we would adhere to investment pattern as prescribed by the Regulator for the scheme in-order to optimise the returns for the investors.

AUM and Asset Mix

The net assets of the Scheme at March 31, 2023 stood at Rs. 9,78,633.

At March 31, 2023, 100% of the net assets were invested in money market instruments and cash/cash equivalent & net current assets.

Scheme A Tier I - Alternative Investment Funds

Scheme Objective

The scheme objective is to maximize the risk adjusted return by investing in alternate investments.

Scheme Performance against Benchmark

The performance of Scheme A Tier I on March 31, 2023 is presented below:

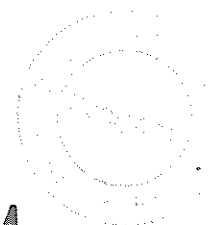
Period	Returns (%) ^	Benchmark Returns (%) #
6 Months	2.98%	Not Applicable

^ Past performance may or may not be sustained in the future.

Benchmark index: NPS – As per fund objective of Scheme A. the fund is mandated to invest in Commercial/Residential mortgage based securities, Units issued by REITs, Alternative Investment Funds, Units issued by InvITs, Asset backed securities, etc. and for that there is no comparable market benchmark is available and hence benchmark returns are not disclosed for this fund.

Max Life Pension Fund started managing funds from Sep 2022 onwards. 25% of the current Scheme AUM was received as Inflows during Q4FY23. Given very small AUM, we had

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deployed the entire funds in Overnight/Liquid funds to avoid loss of accrual to subscribers. As and when the fund grows in size, we would adhere to investment pattern as prescribed by the Regulator for the scheme in order to optimise the returns for the investors.

AUM and Asset Mix

The net assets of the Scheme at March 31, 2023 stood at Rs. 5,97,765.

At March 31, 2023, 100% of the net assets were invested in money market instruments and cash/cash equivalent & net current assets.

Scheme Tax Saver Tier II - Hybrid Investment Fund

Scheme Objective

The scheme objective is to maximize the risk adjusted return by investing in equities and fixed income instruments.

Scheme Performance against Benchmark

The performance of Scheme Tax Saver Tier II on March 31, 2023 is presented below:

Period	Returns (%) ^	Benchmark Returns (%) #
6 Months	2.68%	Not Applicable

^ Past performance may or may not be sustained in the future.

Benchmark index: NPS - As per fund objective of Scheme Tax Saver Tier II, the fund is mandated to invest in various asset classes like equity, corporate debt, government securities, short term investment, etc. and for that there is no comparable market benchmark is available and hence benchmark returns are not disclosed for this fund.

Max Life Pension Fund started managing funds from Sep 2022 onwards. 71% of the current Scheme AUM was received as Inflows during Q4FY23. Given very small AUM, we had deployed the entire funds in Overnight/Liquid funds to avoid loss of accrual to subscribers. As and when the fund grows in size, we would adhere to investment pattern as prescribed by the Regulator for the scheme in order to optimise the returns for the investors.

AUM and Asset Mix

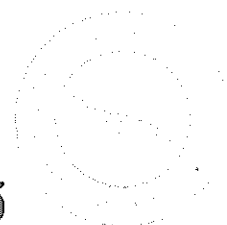
The net assets of the Scheme at March 31, 2023 stood at Rs. 2,14,184.

At March 31, 2023, 100% of the net assets were invested in money market instruments and cash/cash equivalent & net current assets.

Disclaimer

Since the Schemes permit investments in shares, bonds, debentures and other scripts or securities whose value can fluctuate, the price and redemption value of the units of the

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Schemes and income from them can go up as well as come down with the fluctuations in the market value of these underlying investments.

Further, the views expressed under Economic Scenario are considering the current environment.

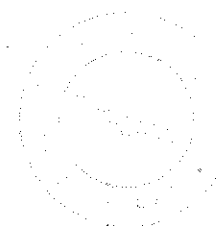
2. INVESTMENT OBJECTIVE OF SCHEME

S. No.	Name of The Scheme	Investment Objective
1	Scheme E Tier I	The objective is to maximize the risk adjusted return by investing in equities.
2	Scheme E Tier II	The objective is to maximize the risk adjusted return by investing in equities.
3	Scheme G Tier I	The objective is to maximize the risk adjusted return by investing in government securities.
4	Scheme G Tier II	The objective is to maximize the risk adjusted return by investing in government securities.
5	Scheme C Tier I	The objective is to maximize the risk adjusted return by investing in credit risk bearing fixed income instruments.
6	Scheme C Tier II	The objective is to maximize the risk adjusted return by investing in credit risk bearing fixed income instruments.
7	Scheme A Tier I	The objective is to maximize the risk adjusted return by investing in alternate investments.
8	Scheme Tax Saver Tier II	The objective is to maximize the risk adjusted return by investing in equities and fixed income instruments.

3. LIABILITIES AND RESPONSIBILITIES OF COMPANY

The Company has been appointed by PFRDA as a pension fund manager for management of investments of the Schemes referred above and, in that capacity, makes investment decisions and manages the Scheme in accordance with the Investment Guidelines, Scheme Objectives, Investment Management Agreement (IMA) and provisions given under the PFRDA guidelines /regulation /rules. The transactions entered into by the Company are in accordance with the PFRDA Guidelines, IMA and the code of ethics prescribed by the Trustees.

The Company has exercised necessary due diligence and vigilance in carrying out its duties under IMA and in protecting the rights and interests of the subscribers. Investment decisions have been taken with emphasis on safety and optimum returns. The Company has not dealt in any speculative transactions in dealing for investments. The Company will be responsible for the acts of omissions or commissions of its employees or the persons whose services have been procured by the Company.



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4. FINANCIAL STATEMENTS OF SCHEMES

- a) SCHEME E TIER I - Equity market instruments
- b) SCHEME E TIER II - Equity market instruments
- c) SCHEME C TIER I - Credit risk bearing fixed income instruments
- d) SCHEME C TIER II - Credit risk bearing fixed income instruments
- e) SCHEME G TIER I - Government securities
- f) SCHEME G TIER II - Government securities
- g) SCHEME A TIER I - Alternate Investment funds
- h) SCHEME TAX SAVER TIER II - Hybrid Investment fund

5. RISK PROFILING OF SCHEMES

Scheme Name	Risk Profile at start of the Financial Year ^	Risk Profile at end of the Financial Year	Number of changes in Risk Profile during the Financial Year
Scheme E Tier I	High	Very High	1
Scheme E Tier II	High	Very High	1
Scheme C Tier I	Low to Moderate	Moderate	1
Scheme C Tier II	Low	Moderate	2
Scheme G Tier I	Moderate	Moderate	0
Scheme G Tier II	Low	Low to Moderate	1
Scheme A Tier I	Low	Moderate	2
Scheme Tax Saver Tier II #	NA	NA	NA

^ The scheme started its operation on September 12, 2022. Risk Profiling at the start of the Financial Year is not available. Hence, the Risk Profiling for the Quarter ended September 2022 is shown.

Risk Profiling is not applicable for Scheme Tax Saver Tier II.



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**MAX LIFE PENSION FUND
MANAGEMENT LIMITED**

SCHEME E TIER I

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme E Tier I (the Scheme)** managed by **Max Life Pension Fund Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2023, and Revenue Account for the period 12th September, 2022 to 31st March, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India.

- In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2023, &
- In case of Revenue Account, of the surplus of the scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



Emphasis of Matter

The units applied to Pension Fund Scheme on last day of financial year i.e. March 31, 2023 are allotted in next financial year on the receipt of the funds by the PFM from trustee bank i.e. Axis Bank. Accordingly, unit applications money of Rs.5,57,069/- were allotted units on receipt of money in next financial year.

However, we do not modify our opinion to that extent.

Other Matter

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and are not been subjected to audit by us.

However, we do not modify our opinion to that extent.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the "Background, Assets under management and allocation of assets as on March 31, 2023, Investment objectives of the schemes, Performance glance as on March 31, 2023, Basis and policy of investments underlying the scheme, Liabilities and responsibilities of the pension fund, Evaluation of current economic conditions" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of PFM, in accordance with the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management of NPS Trust and PFM with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations issued by PFRDA, we report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme;
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books;
- d) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- e) In our opinion, the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee. The Central Record Keeping Agency (CRA) charges have been charged based on communications received from CRA.

For Ummed Jain & Co.
Chartered Accountants
FRN. 119250W



Ummed Jain

CA U.M. Jain
Partner
M. No. 070863

UDIN: 23070863BCA/KCN6480

Date: 26 JUN 2023
Place: Mumbai

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I
BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Schedule	(In Rs.) As at March 31, 2023
Liabilities		
Unit holder's Fund		
Unit Capital	1	45,77,85,022
Reserves and Surplus	2	(2,88,96,132)
Current Liabilities and Provisions	3	5,72,842
Total		42,94,61,732
Assets		
Investments	4	42,73,32,368
Other Current Assets	5	21,29,364
Total		42,94,61,732
(a) Net assets as per Balance Sheets (4+5-3)		42,88,88,990
(b) Number of units outstanding		4,57,78,502
(c) NAV per unit (a)/ (b)		9.3688
Significant accounting policies and notes to accounts	6	

The notes referred to above form an integral part of the financial assets.
This is the Balance Sheet referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W



Ummed Jain
CA U M Jain
Partner
Membership No. 070863

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited

Prashant Tripathy
Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram

K. Narasimha Murthy
K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad

Date: 26 JUN 2023
Place: MUMBAI



Suresh Bhagavatula
Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram

Ranbheer Dhariwal
Ranbheer Dhariwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust

Shri. Suraj Bhan
Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI



Sashi Krishnan
Shri: Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

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NATIONAL PENSION SYSTEM TRUST
 NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I
 REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Dividend	4,38,746
Profit on sale/redemption of investments	3,98,400
Unrealised gain on appreciation in investments	17,67,686
Other Income	10
Total Income (A)	26,04,842
Expenses and losses	
Loss on sale/redemption of investments	5,11,715
Management fees (including GST)	50,272
NPS Trust Fees	2,367
Depository and settlement charges	6
CRA fees	32,088
Less: Amount recoverable by sale of units on account of CRA	(32,088)
Total Expenditure (B)	5,64,360
Surplus/(Deficit) for the year (A-B)	20,40,482
Add: Amount transferred from Unrealised appreciation account	(17,67,686)
Less: Amount transferred to General Reserve	2,72,796
Amount carried forward to Balance Sheet	-
Significant accounting policies and notes to accounts	6

The notes referred to above form an integral part of the financial assets.
 This is the Revenue account referred to in our report of even date.

For Ummed Jain & Co.
 Chartered Accountants
 FRN 119230W


 CA U M Jain
 Partner
 Membership No. 070863



Date: 26 JUN 2023
 Place: MUMBAI

For and on behalf of Board of Directors of
 Max Life Pension Fund Management Limited


 Prashant Tripathy
 Director
 DIN: 08260516
 Place: Gurugram


 K. Narasimha Murthy
 Director
 DIN: 00023046
 Place: Hyderabad




 Suresh Bhagavatula
 Chief Financial Officer
 Place: Gurugram


 Kambeer Dharwal
 Chief Executive Officer
 Place: Gurugram


Date: 25th April, 2023

For and on behalf of NPS Trust


 Shri. Suraj Bhan
 (Chairman, Board of NPS Trust)

Date: 26 JUN 2023
 Place: MUMBAI




 Shri. Bashi Krishnan
 (Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
 Place: MUMBAI

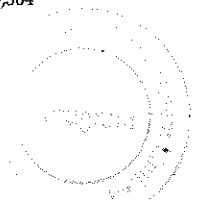
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NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I

Schedules forming part of the financial statements

Schedule 1 - Unit Capital	As at March 31, 2023
Outstanding at the beginning of the year	-
Add: Units issued during the year	46,66,11,403
Less: Units redeemed during the year	88,26,381
Outstanding at the end of the year (₹)	45,77,85,022
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the year	-
Add: Units issued during the year	4,66,61,140
Less: Units redeemed during the year	8,82,638
Outstanding Units at the end of the year	4,57,78,502
Schedule 2 - Reserves and Surplus	As at March 31, 2023
Unit Premium Reserve	
Opening Balance	-
Add/(Less): Premium/(Discount) on Units issued	(3,13,00,729)
Add/(Less): Discount/(Premium) on Units redeemed	3,64,115
Add: Transfer from General Reserve	-
Closing Balance	(3,09,36,614)
General Reserve	
Opening Balance	-
Add: Transfer from Revenue Account	2,72,796
Less: Transfer to Unit Premium Reserve	-
Closing Balance	2,72,796
Unrealised Appreciation Account	
Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/(Less): Transfer from/(to) Revenue Account	17,67,686
Closing Balance	17,67,686
Total	(2,88,96,132)
Schedule 3 - Current Liabilities and Provisions	As at March 31, 2023
Current Liabilities	
Sundry Creditors	17,933
Redemption Payable	5,53,331
TDS Payable	1,578
Total	5,72,842
Schedule 4 - Investments	As at March 31, 2023
Investments (Long Term and Short Term)	
Equity Shares	41,55,86,365
Others - Mutual Fund Units	1,17,46,003
Total	42,73,32,368
Schedule 5 - Other Current Assets	As at March 31, 2023
Balances with bank in current account	21,22,949
Dividend Receivable	6,415
Total	21,29,364

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

SCHEME E TIER I

Schedule 6

Significant accounting policies & notes to accounts for the year ended March 31, 2023

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.

PFRDA has appointed Deutsche Bank AG (DB) as the custodian w.e.f. April 1st, 2022, 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. 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 appointed by NPS Trust as centralised valuation service provider, 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 PFRDA (Pension Fund) Regulation 2015 , PFRDA (Preparation of financial statements and Auditor's report of



Schemes under National Pension System) Guidelines- 2012, Accounting standard specified in Companies (Accounting Standards) Amendment rules 2016 under section 133 of the Companies Act 2013 (the Act) read with Rule 7 of amended companies Accounts Rules 2014 to the extent made applicable by Authority's guidelines 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'.

The term 'period' refers to statement of revenue account is for the period started from 12th September 2022 (being the date of launch date of the scheme) to 31st March 2023 and financials were prepared for the first time.

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.



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Valuation of Equity and Equity related Instrument

A) Securities traded on valuation day

As per closing price of the Principal Stock Exchange. In case, it was not traded on principal stock exchange then the closing price of the secondary stock exchange.

B) Securities not traded on valuation day

When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the principal stock exchange or secondary stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 30 days prior to valuation date.

C) Securities suspended for reasons other than corporate actions

- i) In case trading in an equity security is suspended upto 30 days, then the last traded price would be considered for valuation of that security.
- ii) If an equity security is suspended for more than 30 days, then the valuation may be determined on case to case basis in consultation with PFs, NPS Trust with prior approval of the Authority.

D) Index Funds

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

E) Exchange Traded Funds

As per the closing price of the day of the respective stock exchange.

F) IPO Application

1. IPO application money pending allotment at cost basis.
2. Post allotment but awaiting listing at allotment price.

G) Valuation of Futures and Options

Options:

- i) If traded, then closing price to be considered.
- ii) If not traded, then theoretical price based on Black Scholes Model may be considered.

Futures:

All futures shall be valued at the settlement price declared by the exchanges where they are traded in.

H) Valuation of Warrants

- a) **Traded:** In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares.



- b) **Non-traded:** If not traded, warrants can be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant.

I) Valuation of Preference Shares

- a) **Traded:** If traded, they would be valued as per the valuation guidelines applicable to equity shares.
- b) **Non Traded:**
- i) Redeemable Preference Shares would be valued similar to valuation of Non-Convertible Debentures and Bonds.
 - ii) Convertible Preference shares would be valued at the value of the equity share which would be obtained based on the conversion ratio.

J) Valuation of Rights

Until the right shares are traded, each right share shall be valued as ex-rights price minus right offer price. In case the rights price is higher than the ex-rights price, then the rights shall be valued at 'nil'. The above formula shall be used till the date of allotment. From the date of allotment, the security shall be valued at the exchange closing price.

Valuation of Shares on Merger, De-merger and Other Corporate Action Events:

On corporate action, above valuation guidelines may be difficult to adopt due to non-availability of the Balance Sheet of the restructured entities in public domain or the resultant securities come up for listing after few days while the valuations are required to be carried out effective on the date of the corporate action itself. Besides, in such cases there are generally no comparative parameters readily available for carrying out the valuation exercise. Following broad valuation guidelines would be used for the valuation of securities resulting from the corporate actions:

1) In the Event of De-Merger

- i) In case the shares of all resultant entities are traded immediately on de-merger, they would be valued at respective traded prices at exchange.
- ii) In case shares of only one company are listed & traded on de-merger:
 - Traded shares are to be valued at traded price.
 - Valuation of the shares of other entity pending listing is to be estimated at using closing value of the pre-demerger entity on the day before the de-merger, closing value of the listed entity on the ex-date of de-merger and the swap ratio using the following steps:
 - a) Arrive at value / market cap of the pre-demerger entity using the closing price on the day before the demerger and the number of shares outstanding.
 - b) Arrive at value / market cap of the de-merged traded company using closing price on the day of demerger and the number of shares outstanding basis swap ratio.



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- c) Estimated value of the entity pending listing/trading post de-merger = 'a -b'. Value per share to be arrived basis number of shares expected to be outstanding based on the swap ratio.

If value of the share of de-merged traded company is equal or in excess of the value of pre de-merger share (i.e. a-b is either 0 or negative), then the non-traded demerged share is to be valued at Zero.

2) In the Event of Merger

In case of merger, when company 'A' is merged with company 'B' and company 'B' continues to be listed, the proportionate shares allotted of 'B' company against company 'A' will be valued at the closing price of company 'B' on the stock exchange.

In case of merger when company 'A' and company 'B' are merged to form company 'C', the value of pending listing company 'C' will be the total valuation price of company 'A' and company 'B' before the ex-date till the new entity company 'C' is listed and traded on a stock exchange.

3) In the Event of Buy-Back of Securities

Market traded price of the shares will be considered for valuation till formal confirmation of acceptance of shares tendered under the buy-back schemes. Quantum of shares accepted under buy-back will be accounted as a sale trade.

Valuation of Mutual Fund Units

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

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.

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.



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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

As at March 31, 2023

Uncalled liability on partly paid shares
 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. Sachin Arora (Till 14th October, 2022) Mr. Ranbheer Dhariwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagavatula Mr. Piyush Soni Mr. Mayank Sirohi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Alkesh Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	50,271.77

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	14,207.47

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

As at March 31, 2023

Average Net Asset Value	8,85,23,875
Purchase of Investments	49,82,71,185
% to Average Net Assets Value	563%
Sale of Investments	7,25,93,188
% to Average Net Assets Value	82%

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

As at March 31, 2023

Average Net Asset Value	8,85,23,875
Purchase of Investments	42,90,53,346
% to Average Net Assets Value	485%
Sale of Investments	1,49,73,085
% to Average Net Assets Value	17%

*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	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%
Net Asset Value	42,88,88,890	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 3% of total investments in the major classification of financials.

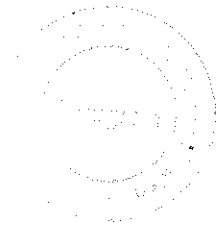
2.8 Age wise disclosure for shares/debentures/ other application money pending for allotment

Security Name	Aging	As at March 31, 2023
		NIL

2.9 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted

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NAME OF PENSION FUND
SCHEME NAME
PERIOD

MAX LIFE PENSION FUND MANAGEMENT LIMITED
SCHEME TIER I
31ST MARCH 2023

ISIN No.	Name of the Instrument	Industry	Quantity	Market Value	Weightage
Equity Instruments					
Shares					
INE040A01034	HDFC Bank Limited	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	20211	32,530,615	7.58%
INE002A01018	Reliance Industries Limited	Manufacture of Other Petroleum n.e.c.	13689	31,909,743	7.44%
INE090A01021	ICICI Bank Limited	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	31624	27,742,154	6.47%
INE001A01036	Housing Development Finance Corp Limited	Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	8284	21,749,642	5.07%
INE009A01021	Infosys Limited	Writing, Modifying, Testing of Computer Program to Meet the Needs of a Particular Client excluding Web-Page Designing	11666	16,658,465	3.88%
INE467B01029	Tata Consultancy Services Limited	Computer Consultancy and Computer Facilities Management Activities	4176	13,387,838	3.12%
INE018A01030	Larsen & Toubro Limited	Other Civil Engineering Projects n.e.c.	5995	12,974,379	3.03%
INE154A01025	ITC Limited	Manufacture of Cigarettes, Cigarette Tobacco	32669	12,528,562	2.92%
INE062A01020	State Bank Of India	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	22490	11,779,138	2.75%
INE237A01028	Kotak Mahindra Bank Limited	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	6560	11,367,496	2.65%
INE021A01026	Asian Paints (India) Limited	Manufacture of Paints and Varnishes, Enamels or Lacquers	3646	10,068,976	2.35%
INE030A01027	Hindustan Unilever Limited	Manufacture of Soap all Forms	3488	8,930,501	2.08%
INE397D01024	Bharth Airtel Limited	Activities of maintaining and operating paging, Cellular and other Telecommunication Networks	11055	8,280,195	1.93%
INE095A01012	Indusind Bank Limited	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	7398	7,900,694	1.84%
INE066F01012	Hindustan Aeronautics Limited	Manufacture of Airplanes	2751	7,513,256	1.75%
INE855E01010	Suzuki Corporation Limited	Manufacture of Passenger Cars	828	6,865,900	1.60%
INE263A01024	Bharat Electronics Limited	Manufacture of Radar Equipment, Gps Devices, Search, Detection, Navigation, Aeronautical and Nautical Equipment	69014	6,732,316	1.57%
INE669C01036	Tech Mahindra Limited	Computer Consultancy and Computer Facilities Management Activities	5991	6,601,183	1.54%
INE296A01024	Bajaj Finance Limited	Other Credit Granting	1082	6,077,324	1.42%
INE481G01011	Ultratech Cement Limited	Manufacture of Clinkers and Cement	749	5,708,990	1.33%
INE101A01026	Mahindra & Mahindra Limited	Manufacture of Tractors used in Agriculture and Forestry	4913	5,692,693	1.33%
INE733E01010	NTPC Limited	Electric Power Generation by Coal Based Thermal Power Plants	31605	5,534,036	1.29%
INE603J01030	PI Industries Limited	Manufacture of Other Agrochemical Products n.e.c.	1799	5,451,330	1.27%
INE860A01027	HCL Technologies Limited	Writing, modifying, testing of computer program to meet the needs of a particular client excluding web-page designing	4562	4,950,911	1.15%
INE044A01036	Sun Pharmaceutical Industries Limited	Manufacture of Medicinal Substances used in the Manufacture of Pharmaceuticals: Antibiotics, Endocrine Products, Basic Vitamins; Opium Derivatives; Sulpha Drugs; Serums and Plasmas; Salicylic Acid, Its Salts and Esters; Glycosides and Vegetable Alkal	4872	4,789,663	1.12%
INE123W01016	SBI Life Insurance Company Limited	Life Insurance	4348	4,787,583	1.12%
INE155A01022	Tata Motors Limited	Manufacture of Commercial Vehicles such as Vans, Lorries, Over-The-Road Tractors for Semi-Trailers etc.	11118	4,678,454	1.09%
INE752E01010	Power Grid Corporation Of India Limited	Transmission of Electric Energy	20602	4,649,871	1.08%
INE795C01014	HDFC Life Insurance Company Limited	Life Insurance	9099	4,542,221	1.06%
INE356A01018	Mphasis Limited	Other Information Technology and Computer Service Activities n.e.c.	2400	4,309,800	1.00%
INE361B01024	Divis Laboratories Limited	Manufacture of Medicinal Substances used in the Manufacture of Pharmaceuticals: Antibiotics, Endocrine Products, Basic Vitamins; Opium Derivatives; Sulpha Drugs; Serums and Plasmas; Salicylic Acid, Its Salts and Esters; Glycosides and Vegetable Alkal	1519	4,288,669	1.00%
INE437A01024	Apollo Hospitals Enterprise Limited	Hospital activities	991	4,272,102	1.00%
INE280A01028	Titan Company Limited	Manufacture of Jewellery of Gold, Silver and Other Precious or Base Metal Metal Clad With Precious Metals or Precious or Semi-Precious Stones, or of Combinations of Precious Metal and Precious or Semi-Precious Stones or of Other Materials	1625	4,086,713	0.95%
INE003A01024	Siemens Limited	Manufacture of Other Electrical Equipment	1222	4,065,777	0.95%
INE059A01026	Cipla Limited	Manufacture of Medicinal Substances used in the Manufacture of Pharmaceuticals: Antibiotics, Endocrine Products, Basic Vitamins; Opium Derivatives; Sulpha Drugs; Serums and Plasmas; Salicylic Acid, Its Salts and Esters; Glycosides and Vegetable Alkal	4293	3,865,847	0.90%
INE192A01025	Tata Consumers Product Limited	Processing and Blending of Tea including Manufacture of Instant Tea	5397	3,825,663	0.89%
INE465A01025	Bharat Forge Limited	Forging, Pressing, Stamping and Roll-Forming of Metal; Powder Metallurgy	4941	3,806,793	0.89%
INE081A01020	Tata Steel Limited	Manufacture of Other Iron and Steel Casting and Products thereof	34612	3,616,954	0.84%
INE522F01014	Coal India Limited	Belowground Mining of Hard Coal	16028	3,424,352	0.80%

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INE647A01010	SRF Limited	Manufacture of Organic and Inorganic Chemical Compounds n.e.c.	1394	3,362,119	0.78%
INE066A01021	Eicher Motors Limited	Manufacture of Motorcycles, Scooters, Mopeds etc. and Their Engine	1140	3,361,689	0.78%
INE239A01016	Nestle India Limited	Manufacture of milk-powder, ice-cream powder and condensed milk except baby milk food	168	3,310,356	0.77%
INE016A01026	Dabur India Limited	Manufacture of Hair Oil, Shampoo, Hair Dye etc.	5928	3,230,167	0.75%
INE038A01020	Hindalco Industries Limited	Manufacture of Aluminium from Alumina and by Other Methods and Products of Aluminium and Alloys	7781	3,154,028	0.74%
INE079A01024	Ambuja Cements Limited	Manufacture of Clinkers and Cement	8302	3,034,796	0.71%
INE047A01021	Grasim Industries Limited	Manufacture of Synthetic or Artificial Filament Staple Fibre not Textured	1858	3,033,557	0.71%
INE089A01023	Dr Reddys Laboratories Limited	Manufacture of allopathic pharmaceutical preparations	655	3,027,901	0.71%
INE029A01011	Bharat Petroleum Corporation Limited	Production of Liquid and Gaseous Fuels, Illuminating Oils, Lubricating Oils or Greases or Other Products from Crude Petroleum or Bituminous Minerals	8690	2,991,967	0.70%
INE787D01026	Balkrishna Industries Limited	Manufacture of Rubber Tyres and Tubes for Motor Vehicles, Motorcycles, Scooters, Three-Wheelers, Tractors and Aircraft	1503	2,933,029	0.68%
INE196A01026	Marico Limited	Manufacture of Vegetable Oils and Fats excluding Corn Oil	5713	2,741,097	0.64%
INE094A01015	Hindustan Petroleum Corporation Limited	Production of Liquid and Gaseous Fuels, Illuminating Oils, Lubricating Oils or Greases or Other Products from Crude Petroleum or Bituminous Minerals	11210	2,654,528	0.62%
INE494B01023	TVS Motor Company Limited	Manufacture of Motorcycles, Scooters, Mopeds etc. and Their Engine	2452	2,641,294	0.62%
INE129A01019	GAIL (India) Limited	Distribution and Sale of Gaseous Fuels Through Mains	24170	2,541,476	0.59%
INE742F01042	Adani Ports And Special Economic Zone Limited	Cargo Handling Incidental to Water Transport	3895	2,461,251	0.57%
INE213A01029	Oil & Natural Gas Corp Limited	On shore extraction of crude petroleum	14267	2,155,030	0.50%
INE226A01021	Voltas Limited	Manufacture of Air-Conditioning Machines, including Motor Vehicles Air-Conditioners	2459	2,012,077	0.47%
INE176B01034	Havells India Limited	Manufacture of electricity distribution and control apparatus	1665	1,978,853	0.46%
INE018E01016	SBI Cards And Payment Services Limited	Other Credit Granting	2566	1,899,353	0.44%
INE010B01027	Zydus Lifesciences Limited	Manufacture of allopathic pharmaceutical preparations	3863	1,898,858	0.44%
INE200M01013	Varun Beverages Limited	Manufacture of Aerated Drinks	1307	1,812,809	0.42%
INE699H01024	Adani Wilmar Limited	Manufacture of Vegetable Oils and Fats excluding Corn Oil	3500	1,420,475	0.33%
INE849A01020	Trent Limited	Retail Sale of Readymade Garments, Hosiery Goods, Other Articles of Clothing and Clothing Accessories such as Gloves, Ties, Braces etc.	919	1,263,579	0.29%
INE797F01020	Jubilant Foodworks Limited	Restaurants Without Bars	2408	1,059,761	0.25%
INE208A01029	Ashok Leyland Limited	Manufacture of Commercial Vehicles such as Vans, Lorries, Over-The-Road Tractors for Semi-Trailers etc.	7560	1,052,352	0.25%
INE918I01026	Bajaj Finserv Limited	Other Credit Granting	730	924,545	0.22%
INE158A01026	Hero Motocorp Limited	Manufacture of Motorcycles, Scooters, Mopeds etc. and Their Engine	382	896,688	0.21%
INE318A01026	Pidlite Industries Limited	Manufacture of organic and inorganic chemical compounds n.e.c.	334	785,902	0.18%
	Subtotal (A)			415,586,365	96.90%

Money Market Instruments
Liquid Funds

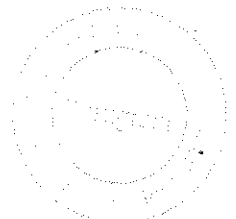
INF789FB1571	UTI Overnight Fund - Direct Plan - Growth	Management of Mutual Funds	3828.50975	11,746,003	2.74%
	Subtotal (B)			11,746,003	2.74%

Grand Total (A+B)

				427,332,368	99.64%
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Equity				415,586,365	96.90%
Money Market Instruments				11,746,003	2.74%
Cash / Cash Equivalent Net Current Assets				1,556,522	0.36%
Grand Total				427,888,890	100.00%

NAV DATE	NAV
at the beginning of the period	10.0000
at the end of the period	9.3688
Total NPAs provided for and its percentage of NAV	Nil
Total value and Percentage of illiquid equity shares	Nil
Total Outstanding exposure in derivative instruments at the end of the period	Nil
Total Infrastructure investments	Nil
Average Maturity of Portfolio (in Yrs.)	Nil
Modified Duration (in Yrs.)	Nil
Yield to Maturity (%)	Nil



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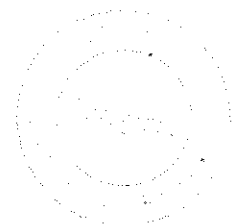
NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER I

Key Statistics

S. No.	Particulars	As at March 31, 2023
1	NAV Per Unit (Rs.)* As on Opening Date	10.0000
	High	10.0578
	Low	9.1579
	End	9.3688
2	Closing Assets Under Management (Rs. In Lakhs) End	4,288.89
	Average AAuM	885.24
3	Gross income as % of AAuM	2.94%
4	Expense Ratio	
a	Total Expense as % of AAuM (Scheme wise)	0.64%
b	Management Fee as % of AAuM (Scheme Wise)	0.11%
5	Net Income as a percentage of AAuM	2.31%
6	Portfolio turnover ratio	0.17
7	Returns (%)	
	Last 6 Months	0.44%
	Benchmark	-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.



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**MAX LIFE PENSION FUND
MANAGEMENT LIMITED**

SCHEME E TIER II

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme E Tier II (the Scheme)** managed by **Max Life Pension Fund Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2023, and Revenue Account for the period 12th September, 2022 to 31st March, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India.

- In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2023, &
- In case of Revenue Account, of the deficit of the scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



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Emphasis of Matter

The units applied to Pension Fund Scheme on last day of financial year i.e. March 31, 2023 are allotted in next financial year on the receipt of the funds by the PFM from trustee bank i.e. Axis Bank. Accordingly, unit applications money of Rs.87,470/- were allotted units on receipt of money in next financial year.

However, we do not modify our opinion to that extent.

Other Matter

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and are not been subjected to audit by us.

However, we do not modify our opinion to that extent.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the "Background, Assets under management and allocation of assets as on March 31, 2023, Investment objectives of the schemes, Performance glance as on March 31, 2023, Basis and policy of investments underlying the scheme, Liabilities and responsibilities of the pension fund, Evaluation of current economic conditions" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

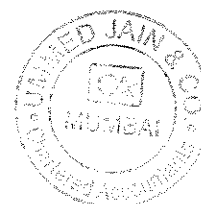
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of PFM, in accordance with the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management of NPS Trust and PFM with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations issued by PFRDA, we report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme;
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books;
- d) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- e) In our opinion, the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee. The Central Record Keeping Agency (CRA) charges have been charged based on communications received from CRA.

For Ummed Jain & Co.
Chartered Accountants
FRN. 119250W



Ummed Jain

CA U.M. Jain
Partner
M. No. 070863

UDIN: 230708638638KCE2526

Date: 26 JUN 2023

Place: Mumbai

NATIONAL PENSION SYSTEM TRUST
 NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER II
 BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Schedule	(In Rs.) As at March 31, 2023
Liabilities		
Unitholder's Fund		
Unit Capital	1	34,39,270
Reserves and Surplus	2	(23,982)
Current Liabilities and Provisions	3	286
Total		34,15,574
Assets		
Investments	4	34,12,000
Other Current Assets	5	3,574
Total		34,15,574
(a) Net assets as per Balance Sheets (4+5-3)		34,15,288
(b) Number of units outstanding		3,43,927
(c) NAV per unit (a)/(b)		9.9303
Significant accounting policies and notes to accounts	6	

The notes referred to above form an integral part of the financial assets.
 This is the Balance Sheet referred to in our report of even date.

For Ummed Jain & Co.
 Chartered Accountants
 FRN 119250W


 CA U M Jain
 Partner
 Membership No. 070863



Date: 26 JUN 2023
 Place: MUMBAI

For and on behalf of Board of Directors of
 Max Life Pension Fund Management Limited


 Prashant Tripathy
 Director
 DIN: 08260516
 Place: Gurugram


 K. Narasimha Murthy
 Director
 DIN: 00023046
 Place: Hyderabad




 Suresh Bhagavatula
 Chief Financial Officer
 Place: Gurugram


 Ranbheer Dhariwal
 Chief Executive Officer
 Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust


 Shri. Suraj Bhan
 (Chairman, Board of NPS Trust)
 Date: 26 JUN 2023
 Place: MUMBAI




 Shri. Sashi Krishnan
 (Chief Executive Officer, NPS Trust)
 Date: 26 JUN 2023
 Place: MUMBAI

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME E TIER II
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Dividend	7,186
Profit on sale/redemption of investments	6,046
Unrealised gain on appreciation in investments	56
Other Income	1
Total Income (A)	13,289
Expenses and losses	
Unrealised losses in value of investments	63,913
Loss on sale/redemption of investments	16,076
Management fees (including GST)	723
NPS Trust Fees	34
CRA fees	1,492
Less: Amount recoverable by sale of units on account of CRA	(1,492)
Total Expenditure (B)	80,746
Surplus/(Deficit) for the year (A-B)	(67,457)
Add: Amount transferred from Unrealised appreciation account	63,856
Less: Amount transferred to General Reserve	(3,600)
Amount carried forward to Balance Sheet	-
Significant accounting policies and notes to accounts	6

The notes referred to above form an integral part of the financial assets.
This is the Revenue account referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W


CA U M Jain
Partner
Membership No. 070863



Date: 26 JUN 2023
Place: MUMBAI

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited


Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram


K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad




Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram


Ranbhir Dharwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust:


Shri. Suraj Bhan
(Chairman, Board of NPS Trust)
Date: 26 JUN 2023
Place: MUMBAI




Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)
Date: 26 JUN 2023
Place: MUMBAI

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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

Schedule 1 - Unit Capital	As at March 31, 2023
Outstanding at the beginning of the year	-
Add: Units issued during the year	39,22,026
Less: Units redeemed during the year	4,82,756
Outstanding at the end of the year (₹)	34,39,270
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the year	-
Add: Units issued during the year	3,92,203
Less: Units redeemed during the year	48,276
Outstanding Units at the end of the year	3,43,927
Schedule 2 - Reserves and Surplus	As at March 31, 2023
Unit Premium Reserve	
Opening Balance	-
Add/(Less): Premium/(Discount) on Units issued	39,043
Add/(Less): Discount/(Premium) on Units redeemed	4,432
Add: Transfer from General Reserve	-
Closing Balance	43,475
General Reserve	
Opening Balance	-
Add: Transfer from Revenue Account	(3,600)
Less: Transfer to Unit Premium Reserve	-
Closing Balance	(3,600)
Unrealised Appreciation Account	
Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/(Less): Transfer from/(to) Revenue Account	(63,856)
Closing Balance	(63,856)
Total	(23,982)
Schedule 3 - Current Liabilities and Provisions	As at March 31, 2023
Current Liabilities	
Sundry Creditors	263
TDS Payable	23
Total	286
Schedule 4 - Investments	As at March 31, 2023
Investments (Long Term and Short Term)	
Equity Shares	33,01,818
Others - Mutual Fund Units	1,10,183
Total	34,12,001
Schedule 5 - Other Current Assets	As at March 31, 2023
Balances with bank in current account	3,501
Dividend Receivable	73
Total	3,574

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

SCHEME E TIER II

Schedule 6

Significant accounting policies & notes to accounts for the year ended March 31, 2023

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.

PFRDA has appointed Deutsche Bank AG (DB) as the custodian w.e.f. April 1st, 2022, 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. 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 appointed by NPS Trust as centralised valuation service provider, 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 PFRDA (Pension Fund) Regulation 2015 , PFRDA (Preparation of financial statements and Auditor's report of



Schemes under National Pension System) Guidelines- 2012, Accounting standard specified in Companies (Accounting Standards) Amendment rules 2016 under section 133 of the Companies Act 2013 (the Act) read with Rule 7 of amended companies Accounts Rules 2014 to the extent made applicable by Authority's guidelines 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'.

The term 'period' refers to statement of revenue account is for the period started from 12th September 2022 (being the date of launch date of the scheme) to 31st March 2023 and financials were prepared for the first time.

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.



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Valuation of Equity and Equity related Instrument

A) Securities traded on valuation day

As per closing price of the Principal Stock Exchange. In case, it was not traded on principal stock exchange then the closing price of the secondary stock exchange.

B) Securities not traded on valuation day

When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the principal stock exchange or secondary stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 30 days prior to valuation date.

C) Securities suspended for reasons other than corporate actions

- i) In case trading in an equity security is suspended upto 30 days, then the last traded price would be considered for valuation of that security.
- ii) If an equity security is suspended for more than 30 days, then the valuation may be determined on case to case basis in consultation with PFs, NPS Trust with prior approval of the Authority.

D) Index Funds

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

E) Exchange Traded Funds

As per the closing price of the day of the respective stock exchange.

F) IPO Application

1. IPO application money pending allotment at cost basis.
2. Post allotment but awaiting listing at allotment price.

G) Valuation of Futures and Options

Options:

- i) If traded, then closing price to be considered.
- ii) If not traded, then theoretical price based on Black Scholes Model may be considered.

Futures:

All futures shall be valued at the settlement price declared by the exchanges where they are traded in.

H) Valuation of Warrants

- a) **Traded:** In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares.



- b) **Non-traded:** If not traded, warrants can be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant.

I) Valuation of Preference Shares

- a) **Traded:** If traded, they would be valued as per the valuation guidelines applicable to equity shares.
- b) **Non Traded:**
 - i) Redeemable Preference Shares would be valued similar to valuation of Non-Convertible Debentures and Bonds.
 - ii) Convertible Preference shares would be valued at the value of the equity share which would be obtained based on the conversion ratio.

J) Valuation of Rights

Until the right shares are traded, each right share shall be valued as ex-rights price minus right offer price. In case the rights price is higher than the ex-rights price, then the rights shall be valued at 'nil'. The above formula shall be used till the date of allotment. From the date of allotment, the security shall be valued at the exchange closing price.

Valuation of Shares on Merger, De-merger and Other Corporate Action Events:

On corporate action, above valuation guidelines may be difficult to adopt due to non-availability of the Balance Sheet of the restructured entities in public domain or the resultant securities come up for listing after few days while the valuations are required to be carried out effective on the date of the corporate action itself. Besides, in such cases there are generally no comparative parameters readily available for carrying out the valuation exercise. Following broad valuation guidelines would be used for the valuation of securities resulting from the corporate actions:

1) In the Event of De-Merger

- i) In case the shares of all resultant entities are traded immediately on de-merger, they would be valued at respective traded prices at exchange.
- ii) In case shares of only one company are listed & traded on de-merger:
 - Traded shares are to be valued at traded price.
 - Valuation of the shares of other entity pending listing is to be estimated at using closing value of the pre-demerger entity on the day before the de-merger, closing value of the listed entity on the ex-date of de-merger and the swap ratio using the following steps:
 - a) Arrive at value / market cap of the pre-demerger entity using the closing price on the day before the demerger and the number of shares outstanding.
 - b) Arrive at value / market cap of the de-merged traded company using closing price on the day of demerger and the number of shares outstanding basis swap ratio.



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- c) Estimated value of the entity pending listing/trading post de-merger = 'a -b'. Value per share to be arrived basis number of shares expected to be outstanding based on the swap ratio.

If value of the share of de-merged traded company is equal or in excess of the value of pre de-merger share (i.e. a-b is either 0 or negative), then the non-traded demerged share is to be valued at Zero.

2) **In the Event of Merger**

In case of merger, when company 'A' is merged with company 'B' and company 'B' continues to be listed, the proportionate shares allotted of 'B' company against company 'A' will be valued at the closing price of company 'B' on the stock exchange.

In case of merger when company 'A' and company 'B' are merged to form company 'C', the value of pending listing company 'C' will be the total valuation price of company 'A' and company 'B' before the ex-date till the new entity company 'C' is listed and traded on a stock exchange.

3) **In the Event of Buy-Back of Securities**

Market traded price of the shares will be considered for valuation till formal confirmation of acceptance of shares tendered under the buy-back schemes. Quantum of shares accepted under buy-back will be accounted as a sale trade.

Valuation of Mutual Fund Units

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

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.

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

As at March 31, 2023

Uncalled liability on partly paid shares
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. Sachin Arora (Till 14th October, 2022) Mr. Ranbheer Dhariwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagavatula Mr. Piyush Soni Mr. Mayank Strohi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Alkesh Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	722.93

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	208.39

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

00-Jan-00

Average Net Asset Value	12,59,605
Purchase of Investments	47,70,802
% to Average Net Assets Value	379%
Sale of Investments	12,84,915
% to Average Net Assets Value	102%

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

As at March 31, 2023

Average Net Asset Value	12,59,605
Purchase of Investments	36,92,217
% to Average Net Assets Value	293%
Sale of Investments	3,14,654
% to Average Net Assets Value	25%

*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	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%
Net Asset Value	34,15,288	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.

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

Security Name	Aging	As at March 31, 2023
		NIL

2.9 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted

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NAME OF PENSION FUND
SCHEME NAME
PERIOD

MAX LIFE PENSION FUND MANAGEMENT LIMITED
SCHEME E TIER II
31ST MARCH 2023

ISIN No.	Name of the Instrument	Industry	Quantity	Market Value	% of Portfolio
Equity Instruments					
Shares					
INE002A01018	Reliance Industries Limited	Manufacture of Other Petroleum n.e.c.	115	268,071	7.85%
INE040A01034	HDFC Bank Limited	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	156	251,090	7.35%
INE090A01021	ICICI Bank Limited	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	252	221,067	6.47%
INE001A01036	Housing Development Finance Corp Limited	Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	69	181,160	5.30%
INE009A01021	Infosys Limited	Writing, Modifying, Testing of Computer Program to Meet the Needs of a Particular Client excluding Web-Page Designing	94	134,227	3.93%
INE018A01030	Larsen & Toubro Limited	Other Civil Engineering Projects n.e.c.	54	116,867	3.42%
INE062A01020	State Bank Of India	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	210	109,988	3.22%
INE467B01029	Tata Consultancy Services Limited	Computer Consultancy and Computer Facilities Management Activities	33	103,795	3.10%
INE154A01025	ITC Limited	Manufacture of Cigarettes, Cigarette Tobacco	263	100,861	2.95%
INE237A01028	Kotak Mahindra Bank Limited	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	57	98,772	2.89%
INE021A01026	Asian Paints (India) Limited	Manufacture of Paints and Varnishes, Enamels or Lacquers	28	77,326	2.26%
INE397D01024	Bharti Airtel Limited	Activities of maintaining and operating, Cellular and other Telecommunication Networks	103	77,147	2.26%
INE030A01027	Hindustan Unilever Limited	Manufacture of Soap all Forms	29	74,250	2.17%
INE585B01010	Suzuki Corporation Limited	Manufacture of Passenger Cars	8	66,337	1.94%
INE296A01024	Bajaj Finance Limited	Other Credit Granting	11	61,784	1.81%
INE095A01012	Indusind Bank Limited	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Discount Houses	54	57,669	1.69%
INE066F01012	Hindustan Aeronautics Limited	Manufacture of Airplanes	21	57,353	1.68%
INE263A01024	Bharat Electronics Limited	Manufacture of Radar Equipment, Gps Devices, Search, Detection, Navigation, Aeronautical and Nautical Equipment	567	55,311	1.62%
INE481G01011	Ultratech Cement Limited	Manufacture of Clinkers and Cement	7	53,355	1.56%
INE733E01010	NTPC Limited	Electric Power Generation by Coal Based Thermal Power Plants	283	49,553	1.45%
INE752E01010	Power Grid Corporation Of India Limited	Transmission of Electric Energy	201	45,366	1.33%
INE101A01026	Mahindra & Mahindra Limited	Manufacture of Tractors used in Agriculture and Forestry	39	45,189	1.32%
INE669C01036	Tech Mahindra Limited	Computer Consultancy and Computer Facilities Management Activities	38	41,870	1.23%
INE239A01016	Nestle India Limited	Manufacture of milk-powder, ice-cream powder and condensed milk except baby milk food	2	39,409	1.15%
INE860A01027	HCL Technologies Limited	Writing, modifying, testing of computer program to meet the needs of a particular client excluding web-page designing	36	39,069	1.14%
INE044A01036	Sun Pharmaceutical Industries Limited	Manufacture of Medicinal Substances used in the Manufacture of Pharmaceuticals: Antibiotics, Endocrine Products, Basic Vitamins; Opium Derivatives; Sulpha Drugs; Serums and Plasmas; Salicylic Acid, Its Salts and Esters; Glycosides and Vegetable Alkal	38	37,358	1.09%
INE437A01024	Apollo Hospitals Enterprise Limited	Hospital activities	8	34,487	1.01%
INE603J01030	PI Industries Limited	Manufacture of Other Agrochemical Products n.e.c.	11	33,332	0.98%
INE280A01028	Titan Company Limited	Manufacture of Jewellery of Gold, Silver and Other Precious or Base Metal Metal Clad With Precious Metals or Precious or Semi-Precious Stones, or of Combinations of Precious Metal and Precious or Semi-Precious Stones or of Other Materials	13	32,694	0.96%
INE094A01015	Hindustan Petroleum Corporation Limited	Production of Liquid and Gaseous Fuels, Illuminating Oils, Lubricating Oils or Greases or Other Products from Crude Petroleum or Bituminous Minerals	137	32,442	0.95%
INE029A01011	Bharat Petroleum Corporation Limited	Production of Liquid and Gaseous Fuels, Illuminating Oils, Lubricating Oils or Greases or Other Products from Crude Petroleum or Bituminous Minerals	93	32,020	0.94%
INE123W01016	SBI Life Insurance Company Limited	Life Insurance	28	30,831	0.90%
INE494B01023	TVS Motor Company Limited	Manufacture of Motorcycles, Scooters, Mopeds etc. and Their Engine	28	30,162	0.88%
INE081A01020	Tata Steel Limited	Manufacture of Other Iron and Steel Casting and Products thereof	281	29,365	0.86%
INE079A01024	Ambuja Cements Limited	Manufacture of Clinkers and Cement	78	28,513	0.83%
INE795G01014	HDFC Life Insurance Company Limited	Life Insurance	55	27,456	0.80%
INE787D01026	Balkrishna Industries Limited	Manufacture of Rubber Tyres and Tubes for Motor Vehicles, Motorcycles, Scooters, Three-Wheelers, Tractors and Aircraft	14	27,320	0.80%
INE003A01024	Siemens Limited	Manufacture of Other Electrical Equipment	8	26,617	0.78%
INE155A01022	Tata Motors Limited	Manufacture of Commercial Vehicles such as Vans, Lorries, Over-The-Road Tractors for Semi-Trailers etc.	63	26,510	0.78%
INE129A01019	GAIL (India) Limited	Distribution and Sale of Gaseous Fuels Through Mains	248	26,077	0.76%
INE522F01014	Coal India Limited	Belowground Mining of Hard Coal	119	25,424	0.74%

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INE361B01024	Divis Laboratories Limited	Manufacture of Medicinal Substances used in the Manufacture of Pharmaceuticals: Antibiotics, Endocrine Products, Basic Vitamins; Opium Derivatives; Sulpha Drugs; Serums and Plasmas; Salicylic Acid, Its Salts and Esters; Glycosides and Vegetable Alkal	9	25,410	0.74%
INE226A01021	Voltas Limited	Manufacture of Air-Conditioning Machines, including Motor Vehicles Air-Conditioners	30	24,548	0.72%
INE038A01020	Hindalco Industries Limited	Manufacture of Aluminium from Alumina and by Other Methods and Products of Aluminium and Alloys	60	24,321	0.71%
INE213A01029	Oil & Natural Gas Corp Limited	On shore extraction of crude petroleum	156	23,564	0.69%
INE797F01020	Jubilant Foodworks Limited	Restaurants Without Bars	52	22,885	0.67%
INE176B01034	Havells India Limited	Manufacture of electricity distribution and control apparatus	19	22,582	0.66%
INE059A01026	Cipla Limited	Manufacture of Medicinal Substances used in the Manufacture of Pharmaceuticals: Antibiotics, Endocrine Products, Basic Vitamins; Opium Derivatives; Sulpha Drugs; Serums and Plasmas; Salicylic Acid, Its Salts and Esters; Glycosides and Vegetable Alkal	25	22,513	0.66%
INE647A01010	SRF Limited	Manufacture of Organic and Inorganic Chemical Compounds n.e.c.	9	21,707	0.64%
INE018E01016	SBI Cards And Payment Services Limited	Other Credit Granting	29	21,466	0.63%
INE066A01021	Eicher Motors Limited	Manufacture of Motorcycles, Scooters, Mopeds etc. and Their Engine	7	20,642	0.60%
INE200M01013	Varun Beverages Limited	Manufacture of Aerated Drinks	14	19,418	0.57%
INE016A01026	Dabur India Limited	Manufacture of Hair Oil, Shampoo, Hair Dye etc.	35	19,072	0.56%
INE158A01026	Hero Motocorp Limited	Manufacture of Motorcycles, Scooters, Mopeds etc. and Their Engine	8	18,779	0.55%
INE192A01025	Tata Consumers Product Limited	Processing and Blending of Tea including Manufacture of Instant Tea	26	18,430	0.54%
INE208A01029	Ashok Leyland Limited	Manufacture of Commercial Vehicles such as Vans, Lorries, Over-The-Road Tractors for Semi-Trailers etc.	130	18,096	0.53%
INE742F01042	Adani Ports And Special Economic Zone Limited	Cargo Handling Incidental to Water Transport	28	17,693	0.52%
INE918I01026	Bajaj Finserv Limited	Other Credit Granting	13	16,465	0.48%
INE356A01018	Mphasis Limited	Other Information Technology and Computer Service Activities n.e.c.	9	16,162	0.47%
INE465A01025	Bharat Forge Limited	Forging, Pressing, Stamping and Roll-Forming of Metal; Powder Metallurgy	18	13,868	0.41%
INE318A01026	Pidilite Industries Limited	Manufacture of organic and inorganic chemical compounds n.e.c.	2	4,706	0.14%
	Subtotal			3,301,818	96.68%

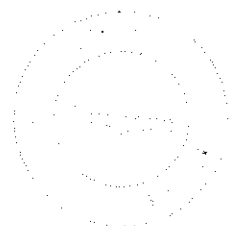
Money Market Instruments

Liquid Funds

INF789FB1571	UTI Overnight Fund - Direct Plan - Growth	Management of Mutual Funds	35.91319	110,183	3.23%
	Subtotal			110,183	3.23%

Equity				3,301,818	96.68%
Money Market Instruments				110,183	3.23%
Cash / Cash Equivalent Net Current Assets				3,288	0.10%
Grand Total				3,415,288	100.00%

NAV DATE	NAV
at the beginning of the period	10.0000
at the end of the period	9.9303
Total NPAs provided for and its percentage of NAV	Nil
Total value and Percentage of illiquid equity shares	Nil
Total Outstanding exposure in derivative instruments at the end of the period	Nil
Total Infrastructure investments	Nil
Average Maturity of Portfolio (in Yrs.)	Nil
Modified Duration (in Yrs.)	Nil
Yield to Maturity (%)	Nil



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

Key Statistics

S. No.	Particulars	As at March 31, 2023
1	NAV Per Unit (Rs.)* As on Opening Date (12/09/2022)	10.0000
	High	10.6299
	Low	9.7137
	End	9.9303
2	Closing Assets Under Management (Rs. In Lakhs)	
	End	34.15
	Average (AAUM)	12.60
3	Gross income as % of AAUM	1.06%
4	Expense Ratio	
a	Total Expense as % of AAUM (Scheme wise)	6.41%
b	Management Fee as % of AAUM (Scheme Wise)	0.11%
5	Net Income as a percentage of AAUM	-5.36%
6	Portfolio turnover ratio	0.25
7	Returns (%)	
	Last 6 Months	0.97%
	Benchmark	-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

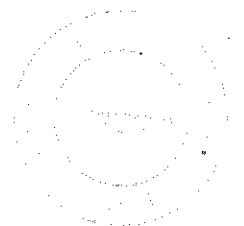
5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annualised.

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.



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**MAX LIFE PENSION FUND
MANAGEMENT LIMITED**

SCHEME G TIER I

990058

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme G Tier I (the Scheme)** managed by **Max Life Pension Fund Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2023, and Revenue Account for the period 12th September, 2022 to 31st March, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India.

- In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2023, &
- In case of Revenue Account, of the surplus of the scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



930059

Emphasis of Matter

The units applied to Pension Fund Scheme on last day of financial year i.e. March 31, 2023 are allotted in next financial year on the receipt of the funds by the PFM from trustee bank i.e. Axis Bank. Accordingly, unit applications money of Rs.1,00,06,390/- were allotted units on receipt of money in next financial year.

However, we do not modify our opinion to that extent.

Other Matter

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and are not been subjected to audit by us.

However, we do not modify our opinion to that extent.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the "Background, Assets under management and allocation of assets as on March 31, 2023, Investment objectives of the schemes, Performance glance as on March 31, 2023, Basis and policy of investments underlying the scheme, Liabilities and responsibilities of the pension fund, Evaluation of current economic conditions" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of PFM, in accordance with the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management of NPS Trust and PFM with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



930061

Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations issued by PFRDA, we report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme;
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books;
- d) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- e) In our opinion, the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee. The Central Record Keeping Agency (CRA) charges have been charged based on communications received from CRA.

For Ummed Jain & Co.
Chartered Accountants
FRN. 119250W



Ummed Jain

CA U.M. Jain
Partner
M. No. 070863

UDIN: 23070863BGAKCP2500

Date: 26 JUN 2023
Place: Mumbai

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED - SCHEME G TIER I
BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Schedule	(In Rs.) As at March 31, 2023
Liabilities		
Unitholder's Fund		
Unit Capital	1	628,829,643
Reserves and Surplus	2	27,548,743
Current Liabilities and Provisions	3	131,069,619
Total		787,448,005
Assets		
Investments	4	751,693,279
Other Current Assets	5	35,754,726
Total		787,448,005
(a) Net assets as per Balance Sheets (4+5+6-3)		656,378,386
(b) Number of units outstanding		62,882,964
(c) NAV per unit (a)/(b)		10.4381
Significant accounting policies and notes to accounts	6	

The notes referred to above form an integral part of the financial assets.
This is the Balance Sheet referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 1192501V

Ummed Jain
CA U M Jain
Partner
Membership No. 070863

Date: 26 JUN 2023
Place: MUMBAI



For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited

Prashant Tripathy
Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram

K. Narasimha Murthy
K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad

Suresh Bhagavatula
Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram

Ranbhaj Dharwal
Ranbhaj Dharwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust

Shri. Suraj Bhan
Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI



Shri. Sashi Krishnan
Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

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NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED - SCHEME G TIER I
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Interest	5,121,062
Profit on sale/redemption of investments	823,932
Unrealised gain on appreciation in investments	1,030,577
Other Income	8
Total Income (A)	6,975,579
Expenses and losses	
Unrealised losses in value of investments	1,448
Loss on sale/redemption of investments	4,600
Loss on inter-scheme transfer/sale of investments	5,067
Management fees (including GST)	80,123
NPS Trust Fees	3,772
Depository and settlement charges	8,957
CRA fees	28,557
Less: Amount recoverable by sale of units on account of CRA	(28,557)
Total Expenditure (B)	103,969
Surplus/(Deficit) for the year (A-B)	6,871,610
Less: Amount transferred to Unrealised appreciation account	(1,029,129)
Less: Amount transferred to General Reserve	5,842,481
Amount carried forward to Balance Sheet	-
Significant accounting policies and notes to accounts	6

The notes referred to above form an integral part of the financial assets.
This is the Revenue account referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W


CA U M Jain
Partner
Membership No. 070863



Date: 26 JUN 2023
Place: MUMBAI



For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited


Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram


K. Nagasimha Murthy
Director
DIN: 00023046
Place: Hyderabad


Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram


Rimbhoo Dharwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust


Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI




Shri. Sashj Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

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

Schedules forming part of the financial statements

Schedule 1 - Unit Capital	As at March 31, 2023
Outstanding at the beginning of the year	-
Add: Units issued during the year	644,485,909
Less: Units redeemed during the year	15,656,266
Outstanding at the end of the year (₹)	628,829,643
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the year	-
Add: Units issued during the year	64,448,591
Less: Units redeemed during the year	1,565,627
Outstanding Units at the end of the year	62,882,964
Schedule 2 - Reserves and Surplus	As at March 31, 2023
Unit Premium Reserve	
Opening Balance	-
Add/(Less): Premium/(Discount) on Units issued	21,222,324
Add/(Less): Discount/(Premium) on Units redeemed	(545,190)
Add: Transfer from General Reserve	-
Closing Balance	20,677,133
General Reserve	
Opening Balance	-
Add: Transfer from Revenue Account	5,842,481
Less: Transfer to Unit Premium Reserve	-
Closing Balance	5,842,481
Unrealised Appreciation Account	
Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/(Less): Transfer from/(to) Revenue Account	1,029,129
Closing Balance	1,029,129
Total	27,548,743
Schedule 3 - Current Liabilities and Provisions	As at March 31, 2023
Current Liabilities	
Sundry Creditors	36,403
Redemption Payable	4,067,739
TDS Payable	2,539
Contract for Purchase of Investments	126,962,938
Total	131,069,619
Schedule 4 - Investments	As at March 31, 2023
Investments (Long Term and Short Term)	
Central and State Government Securities (including treasury bills)	622,865,832
Others - Mutual Fund Units	128,827,446
Total	751,693,278
Schedule 5 - Other Current Assets	As at March 31, 2023
Balances with bank in current account	4,074,779
Contracts for sale of investments	10,155,417
Outstanding and accrued income	9,524,530
Sundry Debtors	12,000,000
Total	35,754,726



930065

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

SCHEME G TIER I

Schedule 6

Significant accounting policies & notes to accounts for the year ended March 31, 2023

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.



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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.

PFRDA has appointed Deutsche Bank AG (DB) as the custodian w.e.f. April 1st, 2022, 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. 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 appointed by NPS Trust as centralised valuation service provider, 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 PFRDA (Pension Fund) Regulation 2015 , PFRDA (Preparation of financial statements and Auditor's report of



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Schemes under National Pension System) Guidelines- 2012, Accounting standard specified in Companies (Accounting Standards) Amendment rules 2016 under section 133 of the Companies Act 2013 (the Act) read with Rule 7 of amended companies Accounts Rules 2014 to the extent made applicable by Authority's guidelines 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'.

The term 'period' refers to statement of revenue account is for the period started from 12th September 2022 (being the date of launch date of the scheme) to 31st March 2023 and financials were prepared for the first time.

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 Government Securities

The Government Securities include Central Government Securities, State Government Securities / Loans (SDL), Treasury Bills (T-bills), Cash Management Bills (CMB), Securities where payment of interest is guaranteed by central or state Government and Other securities such as Municipal Bonds etc.

Securities with residual maturity of more than 30 days

The security will be valued on the basis of scrip level prices released by the valuation agency on the same basis as debt securities maturing greater than 30 days.

Securities with residual maturity of upto 30 days

The security will be valued through amortization on the same basis as debt securities maturing upto 30 days.

Valuation of Mutual Fund Units

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

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.

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

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

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

1.7 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.



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

As at March 31, 2023

Uncalled liability on partly paid shares	NIL
Other Commitments	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. Sachin Arora (Till 14th October, 2022) Mr. Ranbheer Dhartiwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagavatula Mr. Piyush Soni Mr. Mayank Sirohi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Alkesh Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	80,124.84

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	22,846.78

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

As at March 31, 2023

Average Net Asset Value	14,09,37,838
Purchase of Investments	1,40,36,68,821
% to Average Net Assets Value	99%
Sale of Investments	64,51,74,581
% to Average Net Assets Value	458%

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

As at March 31, 2023

Average Net Asset Value	14,09,37,838
Purchase of Investments	72,31,79,246
% to Average Net Assets Value	513%
Sale of Investments	9,32,17,774
% to Average Net Assets Value	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	Market Value	% of Industry Classification
Government Securities	31,94,15,828	48.66%
State Development Loans	29,93,63,000	45.61%
Other Approved Securities	40,87,004	0.62%
Mutual Fund Units	12,88,27,446	19.63%
Net Current Assets	(9,53,14,892)	-14.52%
Net Asset Value	65,63,78,386	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.

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

Security Name	Aging	As at March 31, 2023
		NIL

2.9 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted

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NAME OF PENSION FUND
SCHEME NAME
PERIOD

MAX LIFE PENSION FUND MANAGEMENT LIMITED
SCHEME G TIER I
31ST MARCH 2023

ISIN No.	Name of the Instrument	Category	Quantity	Market Value	Yield (%)	Rating
Debt Instruments						
Central Government Security						
IN0020220102	7.41% GOI 19 DEC 2036	Government	2490000	219,820,455	38.06%	Sovereign (GOI)
IN0020220151	7.26% GOI 6 FEB 2033	Government	200000	19,927,740	3.04%	Sovereign (GOI)
IN0020221024	6.54 GOI 17 JAN 2032	Government	100000	9,492,580	1.45%	Sovereign (GOI)
IN0020220060	7.26 GOI 22 AUGUST 2032	Government	90000	8,966,016	1.37%	Sovereign (GOI)
IN0020170174	7.17 GOI 08 JAN 2028	Government	87000	8,690,430	1.32%	Sovereign (GOI)
IN0020220037	7.38 GOI 20 JUNE 2027	Government	63100	6,353,962	0.97%	Sovereign (GOI)
IN0020300401	6.76% GOI 21 FEB 2061	Government	66800	6,130,530	0.93%	Sovereign (GOI)
IN0020220029	7.51 GOI 23 MAY 2036	Government	50000	5,065,170	0.77%	Sovereign (GOI)
IN0020220011	7.10 GOI 18 APRIL 2029	Government	50000	4,968,945	0.76%	Sovereign (GOI)
	Subtotal			319,415,828	48.66%	

ISIN No.	Name of the Instrument	Category	Quantity	Market Value	Yield (%)	Rating
State Development Loans						
IN4520220422	7.73% TELANGANA SDL 08 MAR 2031	State Government	780000	78,318,786	11.93%	Sovereign (SDL)
IN1520220295	7.72% GUJARAT 15 MARCH 2035	State Government	469600	47,172,400	7.19%	Sovereign (SDL)
IN1620220484	7.77% HARYANA SDL 29 MAR 2033	State Government	308700	31,035,895	4.73%	Sovereign (SDL)
IN4520220356	7.68% TELANGANA 01 FEBRUARY 2042	State Government	200000	20,015,120	3.05%	Sovereign (SDL)
IN2220210024	6.87 MAHARASHTRA 5 MAY 2033	State Government	200000	18,952,480	2.89%	Sovereign (SDL)
IN1920180131	8.17% KARNATAKA SDL 16 JANUARY 2029	State Government	100000	10,279,900	1.57%	Sovereign (SDL)
IN2220200017	7.83% MAHARASHTRA 08 APRIL 2030	State Government	100000	10,133,840	1.54%	Sovereign (SDL)
IN2220220189	07.74 MAHARASHTRA 01 MARCH 2033	State Government	100000	10,084,010	1.51%	Sovereign (SDL)
IN2120220131	7.74% MADHYA PRADESH SDL 23 MAR 2043	State Government	100000	10,080,580	1.54%	Sovereign (SDL)
IN2120220232	6.61 MP 20 JAN 2037	State Government	100000	9,061,730	1.38%	Sovereign (SDL)
IN1920220036	7.74% KARNATAKA SDL 23 NOVEMBER 2037	State Government	80000	8,075,352	1.23%	Sovereign (SDL)
IN2220190910	8.15 MAHARASHTRA 16 APRIL 2030	State Government	62000	6,389,658	0.97%	Sovereign (SDL)
IN4520220307	7.63% TELANGANA SDL 11 JAN 2036	State Government	60000	5,981,826	0.91%	Sovereign (SDL)
IN1620170143	8.45% HARYANA SDL 07 MAR 2028	State Government	50000	5,211,140	0.79%	Sovereign (SDL)
IN2120220065	7.61% MANDHYA PRADESH SDL 08 FEB 2033	State Government	50000	4,989,005	0.76%	Sovereign (SDL)
IN1620220229	7.67% HARYANA 28 SEP 2032	State Government	29550	2,966,719	0.45%	Sovereign (SDL)
IN1520220040	7.82% GUJARAT 29 JUNE 2032	State Government	29000	2,931,323	0.45%	Sovereign (SDL)
IN1620180076	8.58% HARYANA SDL 28 NOV 2038	State Government	20000	2,165,746	0.33%	Sovereign (SDL)
IN1920220067	7.24% KARNATAKA SDL 10 MARCH 2037	State Government	22000	2,126,918	0.32%	Sovereign (SDL)
IN1920180081	8.53% KARNATAKA SDL 28 NOV 2028	State Government	20000	2,093,540	0.32%	Sovereign (SDL)
IN2120220032	7.88% MP 27 OCTOBER 2033	State Government	20000	2,029,866	0.31%	Sovereign (SDL)
IN1920170124	07.69% KARNATAKA SDL 20-12-2027	State Government	20000	2,022,982	0.31%	Sovereign (SDL)
IN2220220130	7.70% MAHARASHTRA 19 OCTOBER 2030	State Government	20000	2,013,472	0.31%	Sovereign (SDL)
IN2220220114	7.61% MAHARASHTRA SDL 28 SEP 2032	State Government	20000	2,003,456	0.31%	Sovereign (SDL)
IN1520220071	7.61% GUJARAT SDL 03 AUG 2032	State Government	10100	1,026,988	0.16%	Sovereign (SDL)
IN1620200114	6.72% HARYANA SDL 28 OCT 2035	State Government	9500	879,222	0.13%	Sovereign (SDL)
IN3120220089	7.64% TAMILNADU SDL 27 JUL 2029	State Government	7700	773,323	0.12%	Sovereign (SDL)
IN1920220127	7.68% KARNATAKA SDL 21 DECEMBER 2034	State Government	5500	548,694	0.08%	Sovereign (SDL)
	Subtotal			299,363,000	45.61%	

ISIN No.	Name of the Instrument	Category	Quantity	Market Value	Yield (%)	Rating
Other Approved Securities						
INED20B08A Z0	8.06% REC GOI SERVICE 27/03/2028	State Government	40000	4,087,001	0.62%	Sovereign (GOI / SDL)
	Subtotal			4,087,001	0.62%	

ISIN No.	Name of the Instrument	Category	Quantity	Market Value	Yield (%)	Rating
Money Market Instruments						
Liquid Funds						
INF789FB1571	UTI Overnight Fund - Direct Plan - Growth	Management of Mutual Funds	41990.20998	128,827,446	19.63%	
	Subtotal			128,827,446	19.63%	

Category	Market Value	Yield (%)
Debt Instruments	622,865,832	94.89%
Credit Rating Exposure		
Central Govt. Securities	319,415,828	48.66%
State Development Loans	299,363,000	45.61%
Other Approved Securities	4,087,001	0.62%
Money Market Instruments	128,827,446	19.63%
Cash / Cash Equivalent Net Current Assets	-95,314,892	-14.32%
Grand Total	656,378,386	100.00%

NAV DATE	NAV
at the beginning of the period	10.0000
at the end of the period	10.4381
Total NPAs provided for and its percentage of NAV	Nil
Total value and Percentage of illiquid equity shares	Nil
Total Outstanding exposure in derivative instruments at the end of the period	Nil
Total infrastructure investments	Nil
Average Maturity of Portfolio (in Yrs.)	12.23
Modified Duration (in Yrs.)	7.60
Yield to Maturity (%)	7.50%

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

Key Statistics

S. No.	Particulars	As at March 31, 2023
1	NAV Per Unit (Rs.)* As on Opening Date (12/09/2022)	10.0000
	High	10.4381
	Low	9.9892
	End	10.4381
2	Closing Assets Under Management (Rs. In Lakhs)	
	End	6,563.78
	Average (AAuM)	1,409.38
3	Gross income as % of AAuM	4.95%
4	Expense Ratio	
a	Total Expense as % of AAuM (Scheme wise)	0.07%
b	Management Fee as % of AAuM (Scheme Wise)	0.11%
5	Net Income as a percentage of AAuM	4.88%
6	Portfolio turnover ratio	0.66
7	Returns (%)	
	Last 6 Months	4.06%
	Benchmark	4.65%

* 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 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.

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**MAX LIFE PENSION FUND
MANAGEMENT LIMITED**

SCHEME G TIER II

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme G Tier II (the Scheme)** managed by **Max Life Pension Fund Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2023, and Revenue Account for the period 12th September, 2022 to 31st March, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India.

- In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2023, &
- In case of Revenue Account, of the surplus of the scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



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Emphasis of Matter

The units applied to Pension Fund Scheme on last day of financial year i.e. March 31, 2023 are allotted in next financial year on the receipt of the funds by the PFM from trustee bank i.e. Axis Bank. Accordingly, unit applications money of Rs.38,660/- were allotted units on receipt of money in next financial year.

However, we do not modify our opinion to that extent.

Other Matter

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and are not been subjected to audit by us.

However, we do not modify our opinion to that extent.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the "Background, Assets under management and allocation of assets as on March 31, 2023, Investment objectives of the schemes, Performance glance as on March 31, 2023, Basis and policy of investments underlying the scheme, Liabilities and responsibilities of the pension fund, Evaluation of current economic conditions" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of PFM, in accordance with the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

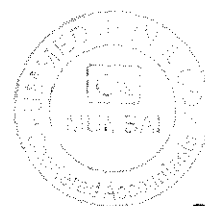
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management of NPS Trust and PFM with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations issued by PFRDA, we report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme;
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books;
- d) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- e) In our opinion, the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee. The Central Record Keeping Agency (CRA) charges have been charged based on communications received from CRA.

For Ummed Jain & Co.
Chartered Accountants
FRN. 119250W



Ummed Jain

CA U.M. Jain
Partner
M. No. 070863

UDIN: 23070863BGAJCA6910

Date: 26 JUN 2023
Place: Mumbai

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NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME G TIER II
BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Schedule	(In Rs.) As at March 31, 2023
Liabilities		
Unit holder's Fund		
Unit Capital	1	13,15,646
Reserves and Surplus	2	43,691
Current Liabilities and Provisions	3	182
Total		13,59,519
Assets		
Investments	4	13,49,105
Other Current Assets	5	10,414
Total		13,59,519
(a) Net assets as per Balance Sheets (4+5-3)		13,59,336
(b) Number of units outstanding		1,31,565
(c) NAV per unit (a)/(b)		10.3321
Significant accounting policies and notes to accounts	6	

The notes referred to above form an integral part of the financial assets.
This is the Balance Sheet referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119230W



Ummed Jain

CA U M Jain
Partner
Membership No. 070863

Date: 26 JUN 2023
MUMBAI

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited

Prashant Tripathy
Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram

K. Narasimha Murthy
K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad



Suresh Bhagavatula
Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram

Ranbheg Qhariwal
Ranbheg Qhariwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust

Surya
Shri. Surya Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI



Sashi Krishnan
Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME G TIER II
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Interest	5,516
Profit on sale/redemption of investments	9,037
Unrealised gain on appreciation in investments	3,229
Total Income (A)	18,882
Expenses and losses	
Unrealised losses in value of investments	383
Management fees (including GST)	259
NPS Trust Fees	12
Depository and settlement charges	79
CRA fees	533
Less: Amount recoverable by sale of units on account of CRA	(533)
Total Expenditure (B)	733
Surplus/(Deficit) for the year (A-B)	17,348
Less: Amount transferred to Unrealised appreciation account	(2,846)
Less: Amount transferred to General Reserve	14,502
Amount carried forward to Balance Sheet	-
Significant accounting policies and notes to accounts	6

The notes referred to above form an integral part of the financial assets.
This is the Revenue account referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W



CA U M Jain
Partner
Membership No. 070863

Date: 26 JUN 2023

MUMBAI

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited

Prashant Tripathy

Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram

K. Nandimha Murthy

K. Nandimha Murthy
Director
DIN: 00023046
Place: Hyderabad

Suresh Bhagavatula

Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram

Ranbhong Dhariwal

Ranbhong Dhariwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust

Shri. Suraj Bhan
Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI



Shri. Sashi Krishnan
Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

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

Schedules forming part of the financial statements

Schedule 1 - Unit Capital	As at March 31, 2023
Outstanding at the beginning of the year	-
Add: Units issued during the year	15,50,832
Less: Units redeemed during the year	2,35,187
Outstanding at the end of the year (₹)	13,15,646
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the year	-
Add: Units issued during the year	1,55,083
Less: Units redeemed during the year	23,519
Outstanding Units at the end of the year	1,31,565
Schedule 2 - Reserves and Surplus	As at March 31, 2023
Unit Premium Reserve	
Opening Balance	-
Add/(Less): Premium/(Discount) on Units issued	32,791
Add/(Less): Discount/(Premium) on Units redeemed	(6,449)
Add: Transfer from General Reserve	-
Closing Balance	26,343
General Reserve	
Opening Balance	-
Add: Transfer from Revenue Account	14,502
Less: Transfer to Unit Premium Reserve	-
Closing Balance	14,502
Unrealised Appreciation Account	
Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/(Less): Transfer from/(to) Revenue Account	2,846
Closing Balance	2,846
Total	43,691
Schedule 3 - Current Liabilities and Provisions	As at March 31, 2023
Current Liabilities	
Sundry Creditors	174
TDS Payable	8
Total	182
Schedule 4 - Investments	As at March 31, 2023
Investments (Long Term and Short Term)	
Central and State Government Securities (including treasury bills)	6,37,682
Others - Mutual Fund Units	7,11,422
Total	13,49,104
Schedule 5 - Other Current Assets	As at March 31, 2023
Balances with bank in current account	471
Outstanding and accrued income	9,943
Total	10,414

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

SCHEME G TIER II

Schedule 6

Significant accounting policies & notes to accounts for the year ended March 31, 2023

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.



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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.

PFRDA has appointed Deutsche Bank AG (DB) as the custodian w.e.f. April 1st, 2022, 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. 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 appointed by NPS Trust as centralised valuation service provider, 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 PFRDA (Pension Fund) Regulation 2015, PFRDA (Preparation of financial statements and Auditor's report of

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Schemes under National Pension System) Guidelines- 2012, Accounting standard specified in Companies (Accounting Standards) Amendment rules 2016 under section 133 of the Companies Act 2013 (the Act) read with Rule 7 of amended companies Accounts Rules 2014 to the extent made applicable by Authority's guidelines 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'.

The term 'period' refers to statement of revenue account is for the period started from 12th September 2022 (being the date of launch date of the scheme) to 31st March 2023 and financials were prepared for the first time.

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 Government Securities

The Government Securities include Central Government Securities, State Government Securities / Loans (SDL), Treasury Bills (T-bills), Cash Management Bills (CMB), Securities where payment of interest is guaranteed by central or state Government and Other securities such as Municipal Bonds etc.

Securities with residual maturity of more than 30 days

The security will be valued on the basis of scrip level prices released by the valuation agency on the same basis as debt securities maturing greater than 30 days.

Securities with residual maturity of upto 30 days

The security will be valued through amortization on the same basis as debt securities maturing upto 30 days.

Valuation of Mutual Fund Units

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

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.

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

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

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

1.7 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.



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.



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

Notes to Accounts

2.1 Contingent Liabilities

As at March 31, 2023

Uncalled liability on partly paid shares
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. Sachin Arora (Till 14th October, 2022) Mr. Ranbheer Dhariwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagavatula Mr. Piyush Soni Mr. Mayank Sirohi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Alkesh Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	259.34

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	75.60

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

As at March 31, 2023

Average Net Asset Value	4,52,255
Purchase of Investments	26,65,562
% to Average Net Assets Value	589%
Sale of Investments	13,18,779
% to Average Net Assets Value	292%

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

As at March 31, 2023

Average Net Asset Value	4,52,255
Purchase of Investments	6,45,602
% to Average Net Assets Value	143%
Sale of Investments	-
% to Average Net Assets Value	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

Industry Classification	Market Value	% of Industry Classification
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%
Net Asset Value	13,59,336	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.

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

Security Name	Aging	As at March 31, 2023
		NIL

2.9 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted

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NAME OF PENSION FUND
SCHEME NAME
PERIOD

MAX LIFE PENSION FUND MANAGEMENT LIMITED
SCHEME G TIER II
31ST MARCH 2023

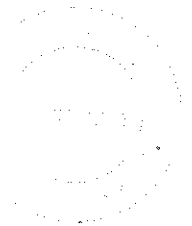
ISIN No.	Name of the Instrument	Issuer	Quantity	Stated Value (₹)	Cost (₹)	Rating
Debt Instruments						
Central Government Security						
IN0020220037	7.38 GOI 29 JUNE 2027	Government	2,900.00	292,020		21.48% Sovereign (GOI)
IN0020220060	7.26 GOI 22 AUGUST 2032	Government	1,000.00	99,622		7.33% Sovereign (GOI)
	Subtotal			391,643		28.81%

State Development Loans						
IN1520220030	7.82% GUJARAT 29 JUNE 2032	State Government	1,000.00	101,080		7.44% Sovereign (SDL)
IN2120220065	7.61% MANDHYA PRADESH SDL 08 FEB 2033	State Government	1,000.00	99,780		7.34% Sovereign (SDL)
IN1620220229	7.67% HARYANA 28 SEP 2032	State Government	450.00	45,179		3.32% Sovereign (SDL)
	Subtotal			246,039		18.10%

Money Market Instruments						
Liquid Funds						
INF789FB1571	UTI Overnight Fund - Direct Plan - Growth	Management of Mutual Funds	145.84	417,428		32.92%
INF179KB1HP9	HDFC Liquid Mutual Fund - Direct Plan - Growth	Management of Mutual Funds	59.72	263,991		19.42%
	Subtotal			711,422		52.34%

Debt Instruments			637,682	46.91%
Credit Rating Exposure				
Central Govt. Securities			391,643	28.81%
State Development Loans			246,039	18.10%
Money Market Instruments			711,422	52.34%
Cash / Cash Equivalent Net Current Assets			10,232	0.75%
Grand Total			1,339,336	100.00%

NAV DATE	NAV
at the beginning of the period	10.0000
at the end of the period	10.3321
Total NPAs provided for and its percentage of NAV	Nil
Total value and Percentage of illiquid equity shares	Nil
Total Outstanding exposure in derivative instruments at the end of the period	Nil
Total Infrastructure investments	Nil
Average Maturity of Portfolio (in Yrs.)	7.09
Modified Duration (in Yrs.)	5.19
Yield to Maturity (%)	7.38%



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

Key Statistics

S. No.	Particulars	As at March 31, 2023
1	NAV Per Unit (Rs.)* As on Opening Date (12/09/2022)	10.0000
	High	10.3321
	Low	9.9968
	End	10.3321
2	Closing Assets Under Management (Rs. In Lakhs)	
	End	13.59
	Average (AAuM)	4.52
3	Gross income as % of AAuM	4.00%
4	Expense Ratio	
a	Total Expense as % of AAuM (Scheme wise)	0.16%
b	Management Fee as % of AAuM (Scheme Wise)	0.11%
5	Net Income as a percentage of AAuM	3.84%
6	Portfolio turnover ratio	-
7	Returns (%)	
	Last 6 Months	3.14%
	Benchmark	4.65%

* 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

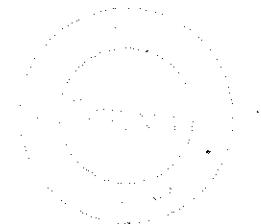
5 Management fees (Including applicable Taxes) as per Revenue Account and ratio is annualised.

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 C TIER I

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme C Tier I (the Scheme)** managed by **Max Life Pension Fund Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2023, and Revenue Account for the period 12th September, 2022 to 31st March, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India.

- In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2023, &
- In case of Revenue Account, of the surplus of the scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



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Emphasis of Matter

The units applied to Pension Fund Scheme on last day of financial year i.e. March 31, 2023 are allotted in next financial year on the receipt of the funds by the PFM from trustee bank i.e. Axis Bank. Accordingly, unit applications money of Rs.1,99,342/- were allotted units on receipt of money in next financial year.

However, we do not modify our opinion to that extent.

Other Matter

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and are not been subjected to audit by us.

However, we do not modify our opinion to that extent.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the "Background, Assets under management and allocation of assets as on March 31, 2023, Investment objectives of the schemes, Performance glance as on March 31, 2023, Basis and policy of investments underlying the scheme, Liabilities and responsibilities of the pension fund, Evaluation of current economic conditions" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of PFM, in accordance with the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management of NPS Trust and PFM with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations issued by PFRDA, we report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme;
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books;
- d) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- e) In our opinion, the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee. The Central Record Keeping Agency (CRA) charges have been charged based on communications received from CRA.

For Ummed Jain & Co.
Chartered Accountants
FRN. 119250W



Ummed Jain

CA U.M. Jain
Partner
M. No. 070863

UDIN: 23070863BGAICCR 3740

Date: 26 JUN 2023
Place: Mumbai

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER I
BALANCE SHEET AS AT MARCH 31, 2023

(In Rs.)

Particulars	Schedule	As at March 31, 2023
Liabilities		
Unitholder's Fund		
Unit Capital	1	32,42,86,478
Reserves and Surplus	2	94,79,385
Current Liabilities and Provisions	3	4,57,75,370
Total		37,95,41,233
Assets		
Investments	4	37,30,75,607
Other Current Assets	5	64,65,626
Total		37,95,41,233
(a) Net assets as per Balance Sheets (4+5-3)		33,37,65,863
(b) Number of units outstanding		3,24,28,648
(c) NAV per unit (a)/(b)		10.2923
Significant accounting policies and notes to accounts	6	

The notes referred to above form an integral part of the financial assets.
This is the Balance Sheet referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W



CA U M Jain
Partner
Membership No. 070863

Date: 26 JUN 2023
Place: MUMBAI

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited

Prashant Tripathy

Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram

K. Nagesh Murthy

K. Nagesh Murthy
Director
DIN: 00023046
Place: Hyderabad



Suresh Bhagavatula
Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram

Ranbir Dharwal
Ranbir Dharwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust

Shri. Suraj Bhan
Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI



Sashi Krishnan
Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

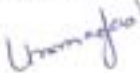
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NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER I
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Interest	15,26,874
Profit on sale/redemption of investments	6,97,675
Profit on inter-scheme transfer/sale of investments	2,205
Unrealised gain on appreciation in investments	4,08,098
Other Income	17
Total Income (A)	26,34,869
Expenses and losses	
Unrealised losses in value of investments	2,407
Loss on sale/redemption of investments	44,393
Management fees (including GST)	34,099
NPS Trust Fees	1,605
Depository and settlement charges	1,326
CRA fees	16,068
Less: Amount recoverable by sale of units on account of CRA	(16,068)
Total Expenditure (B)	83,830
Surplus/(Deficit) for the year (A-B)	25,51,039
Less: Amount transferred to Unrealised appreciation account	(4,05,691)
Less: Amount transferred to General Reserve	21,45,348
Amount carried forward to Balance Sheet	-
Significant accounting policies and notes to accounts	6

The notes referred to above form an integral part of the financial assets.
This is the Revenue account referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W



CA U M Jain
Partner
Membership No. 070863



Date: 26 JUN 2023
Place: MUMBAI

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited


Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram


K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad


Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram


Ranbheer Dhariwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust


Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI




Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

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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

Schedule 1 - Unit Capital	As at March 31, 2023
Outstanding at the beginning of the year	-
Add: Units issued during the year	32,97,66,304
Less: Units redeemed during the year	54,79,826
Outstanding at the end of the year (₹)	32,42,86,478
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the year	-
Add: Units issued during the year	3,29,76,630
Less: Units redeemed during the year	5,47,983
Outstanding Units at the end of the year	3,24,28,648
Schedule 2 - Reserves and Surplus	As at March 31, 2023
Unit Premium Reserve	
Opening Balance	-
Add/(Less): Premium/(Discount) on Units issued	70,18,732
Add/(Less): Discount/(Premium) on Units redeemed	(90,385)
Add: Transfer from General Reserve	-
Closing Balance	69,28,347
General Reserve	
Opening Balance	-
Add: Transfer from Revenue Account	21,45,348
Less: Transfer to Unit Premium Reserve	-
Closing Balance	21,45,348
Unrealised Appreciation Account	
Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/(Less): Transfer from/(to) Revenue Account	4,05,691
Closing Balance	4,05,691
Total	94,79,385
Schedule 3 - Current Liabilities and Provisions	As at March 31, 2023
Current Liabilities	
Sundry Creditors	15,218
Redemption Payable	5,45,006
TDS Payable	1,185
Contract for Purchase of Investments	4,52,13,961
Total	4,57,75,370
Schedule 4 - Investments	As at March 31, 2023
Investments (Long Term and Short Term)	
Debentures and Bonds Listed/Awaiting Listing	22,41,75,253
Commercial Paper	4,82,048
Others - Mutual Fund Units	14,84,18,306
Total	37,30,75,607
Schedule 5 - Other Current Assets	As at March 31, 2023
Balances with bank in current account	5,49,446
Contracts for sale of investments	20,17,990
Outstanding and accrued income	38,98,190
Total	64,65,626

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

SCHEME C TIER I

Schedule 6

Significant accounting policies & notes to accounts for the year ended March 31, 2023

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.



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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.

PFRDA has appointed Deutsche Bank AG (DB) as the custodian w.e.f. April 1st, 2022, 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. 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 appointed by NPS Trust as centralised valuation service provider, 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 PFRDA (Pension Fund) Regulation 2015, PFRDA (Preparation of financial statements and Auditor's report of

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Schemes under National Pension System) Guidelines- 2012, Accounting standard specified in Companies (Accounting Standards) Amendment rules 2016 under section 133 of the Companies Act 2013 (the Act) read with Rule 7 of amended companies Accounts Rules 2014 to the extent made applicable by Authority's guidelines 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'.

The term 'period' refers to statement of revenue account is for the period started from 12th September 2022 (being the date of launch date of the scheme) to 31st March 2023 and financials were prepared for the first time.

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 Debt Securities

Debt Securities are classified into following 2 categories:

- i) Coupon bearing securities like Non-Convertible Debentures (NCD), Bonds, etc.
- ii) Discounted securities like Zero Coupon Bonds (ZCB), Commercial Papers (CP), Certificate of Deposits (CD), Bills Purchased under Rediscounted (BRDS) etc.

Debt securities are valued at clean price, which means excluding accrued interest component of the security. If corporate bonds and debentures are quoted cum interest on the exchange, the valuation must be done by excluding the accrued interest portion (i.e. from the last due date of interest till date) from the quoted price, since the interest is accrued and accounted separately on a daily basis.

Type of Security/Instrument

All Instruments/ Securities with residual maturity of more than 30 days

1. Traded Securities

The traded price shall be taken subject to the fulfillment of the conditions practiced/adopted by the valuation agency after consultation with NPS Trust and PFs.

2. Non-Traded Securities:

The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs.

3. Purchase of new securities:

In case of new security purchased for which price is not available, such security shall be valued on the basis of scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities) at which the securities are purchased.

All Instruments/ Securities with residual maturity of upto 30 days

The securities will be valued by amortisation on a straight-line basis to maturity from last valuation price as long as it is within the prescribed range, of the reference price provided by the valuation agency.

Valuation of Debt Securities below Investment grade of BBB-

All non-investment grade debt securities except with default rating (other than Government securities) and securities where credit rating agencies have suspended the ratings but are performing assets as per PFRDA guidelines shall be valued at a discount of 25% of the face value.

All non-investment grade debt securities (other than Government securities) not covered above shall be valued at the indicative haircut matrix or price provided by the valuation agency. In case the security is traded where the haircut has been applied, lower of the haircut matrix based price and trade price shall be considered.



Valuation of Mutual Fund Units

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

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.

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.

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 As at March 31, 2023

Uncalled liability on partly paid shares	NIL
Other Commitments	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. Sachin Arora (Till 14th October, 2022) Mr. Ranbheer Dharwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagavatula Mr. Piyush Soni Mr. Mayank Strohi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Aikesh Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	34,098.79

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	10,665.40

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

	As at March 31, 2023
Average Net Asset Value	6,02,53,100
Purchase of Investments	1,00,38,10,239
% to Average Net Assets Value	1666%
Sale of Investments	62,35,30,622
% to Average Net Assets Value	1035%

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

	As at March 31, 2023
Average Net Asset Value	6,02,53,100
Purchase of Investments	23,31,66,669
% to Average Net Assets Value	387%
Sale of Investments	6,10,090.00
% to Average Net Assets Value	1%

*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	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%
Net Asset Value	33,37,65,863	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.

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

Security Name	Aging	As at March 31, 2023
		NIL

2.9 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted

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NAME OF PENSION FUND
SCHEME NAME
PERIOD

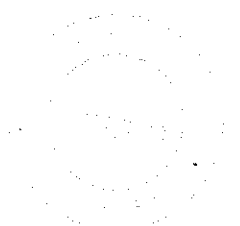
MAX LIFE PENSION FUND MANAGEMENT LIMITED
SCHEME C TIER I
31ST MARCH 2023

ISIN	Face Value	Parity	Rating	Market Value	Weight (%)	Rating
Debt Instruments						
FSU / PFI Bonds						
INE24F08BE1	8.62 NABARD 14 MARCH 2034	Other Monetary Intermediation Services n.e.c.	70000	7,458,850	2.23%	AAA
INE094CR130	7.74% HFCL 2 MARCH 2028	Production of Liquid and Gaseous Fuels, Illuminating Oils, Lubricating Oils or Greases or Other Products from Crude Petroleum or Bituminous Minerals	60000	6,039,366	1.81%	AAA
INE514E08FP6	7.22% EXIM 03 AUG 27	Other Credit Granting	30000	2,965,923	0.89%	AAA
INE206D08J03	7.55% NFCL 24 22032	Electric Power Generation and Transmission by Nuclear Power Plants	20000	1,980,200	0.59%	AAA
INE094G8119	7.81% HFCL 13 APRIL 2032	Production of Liquid and Gaseous Fuels, Illuminating Oils, Lubricating Oils or Greases or Other Products from Crude Petroleum or Bituminous Minerals	10000	1,012,461	0.30%	AAA
INE094G8133	7.64% HFCL 4 NOV 2027	Production of Liquid and Gaseous Fuels, Illuminating Oils, Lubricating Oils or Greases or Other Products from Crude Petroleum or Bituminous Minerals	10000	1,000,431	0.30%	AAA
INE094G8143	7.51% HFCL 15 APRIL 2033	Production of Liquid and Gaseous Fuels, Illuminating Oils, Lubricating Oils or Greases or Other Products from Crude Petroleum or Bituminous Minerals	10000	994,929	0.30%	AAA
	Subtotal			21,452,156	6.43%	
Infrastructure Bonds						
INE062A03348	7.70% SBI 19 JAN 2038	Monetary Intermediation of Commercial Banks, Saving Banks, Postal Savings Bank and Post Office Houses	160000	16,114,448	4.83%	AAA
INE134E08ME3	7.82% PFC 12 MARCH 2032	Other Credit Granting	100000	10,100,220	3.03%	AAA
INE818ER8235	7.59% NHPC 20 FEB 2029	Electric Power Generation by Hydroelectric Power Plants	100000	10,079,970	3.02%	AAA
INE206D08J01	7.70 NFCL 20 MARCH 2038	Electric Power Generation and Transmission by Nuclear Power Plants	100000	10,019,230	3.00%	AAA
INE818ER8227	7.59% NHPC 20 FEB 2030	Electric Power Generation by Hydroelectric Power Plants	100000	10,011,530	3.00%	AAA
INE134E09Q03	8.95% PFC 10 OCT 2028	Other Credit Granting	50000	5,280,185	1.58%	AAA
INE048E08243	7.59% NHPC 19 FEB 2028	Electric Power Generation by Hydroelectric Power Plants	50000	5,020,465	1.50%	AAA
INE060707H17	7.27% NHAI 24 FEB 2035	Construction and Maintenance of Motorways, Streets, Roads, Other Vehicular and Pedestrian Ways, Highways, Bridges, Tunnels and Subways	50000	4,819,570	1.45%	AAA
INE051A08S71	7.68% HUDCO 16 MAY 2026	Other Credit Granting	40000	4,009,472	1.20%	AAA
INE030F08205	7.64% IRFC 28 NOV 2037	Other Credit Granting	10000	3,981,800	1.19%	AAA
INE261F08C27	6.97 NABARD 17 MARCH 2031	Other Monetary Intermediation Services n.e.c.	40000	3,863,436	1.16%	AAA
INE051F08122	6.92% IRFC 31 AUGUST 2031	Other Credit Granting	40000	3,824,528	1.15%	AAA
INE048E07481	8.78% NHPC 11 FEB 2028	Electric Power Generation by Hydroelectric Power Plants	30000	3,152,739	0.94%	AAA
INE060E07HD4	8.36% NHAI 20 MAY 2029	Construction and Maintenance of Motorways, Streets, Roads, Other Vehicular and Pedestrian Ways, Highways, Bridges, Tunnels and Subways	30000	3,114,810	0.93%	AAA
INE051F08221	7.65% IRFC 30 DEC 2032	Other Credit Granting	30000	3,010,512	0.90%	AAA
INE752E07L15	9.30% PGC 4 SEPT 2029	Transmission of Electric Energy	20000	2,175,762	0.65%	AAA
INE206D08162	9.18% NFCL 23012029	Electric Power Generation and Transmission by Nuclear Power Plants	20000	2,161,338	0.65%	AAA
INE206D08204	9.18% NFCL 23 JAN 2028	Electric Power Generation and Transmission by Nuclear Power Plants	20000	2,132,660	0.64%	AAA
INE261F08A56	8.18% NABARD 26 DEC 2028	Other Monetary Intermediation Services n.e.c.	20000	2,061,254	0.62%	AAA
INE030F08213	7.47% IRFC 15 APR 2033	Other Credit Granting	20000	1,982,470	0.59%	AAA
INE134E08KM0	7.41% POWER FINANCE CORPORATION LTD 15/05/2030	Other Credit Granting	20000	1,973,534	0.59%	AAA
INE030F08D59	7.50% REC 28 FEB 2033	Other Credit Granting	20000	1,972,514	0.59%	AAA
INE752E070B6	7.55% PGC 21 SEP-31	Transmission of Electric Energy	10000	998,272	0.30%	AAA
	Subtotal			111,659,059	33.52%	
Private Bonds						
INE078A03BE9	7.25% L&T LTD 28 APRIL 2028	Other Civil Engineering Projects n.e.c.	300000	30,011,040	8.99%	AAA
INE011A07TV3	7.97% HDPC 17 FEB 2033	Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	245000	24,568,772	7.36%	AAA
INE020A08S34	9.05% RIL 17 OCT 2028	Manufacture of Other Petroleum n.e.c.	100000	10,582,950	3.17%	AAA
INE261A07FS9	7.02% BAJAJ FINANCE 18 APR 2031	Other Credit Granting	70000	6,622,742	1.98%	AAA
INE261A07SH0	8.08% BAJAJ FINANCE 21 MARCH 2033	Other Credit Granting	50000	5,016,270	1.50%	AAA
INE011A07TC8	8.00 HOUSING DEVELOPMENT FINANCE CORPORATION 27 JULY 2032	Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	50000	5,006,255	1.50%	AAA
INE020A08S67	8.65% RIL 11 DEC 2028	Manufacture of Other Petroleum n.e.c.	40000	4,167,364	1.25%	AAA
INE115A07QA1	7.82 LIC HOUSING FINANCE 18 NOV 2032	Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	20000	1,981,562	0.59%	AAA
INE115A07PLD	6.95% LIC HOUSING FINANCE LIMITED 24 SEP 2031	Activities of Specialized Institutions Granting Credit for House Purchases that also Take Deposits	20000	1,885,526	0.56%	AAA
INE261A07SD9	7.82 BAJAJ FINANCE 8 SEP 2032	Other Credit Granting	10000	991,438	0.30%	AAA
	Subtotal			90,833,979	27.21%	
Money Market Instruments						
Commercial Paper						
INE110L14RD7	RELIANCE JIO CP 29 SEPTEMBER 2023	Activities of maintaining and operating paging, cellular and other telecommunication networks	5000	482,048	0.14%	
	Subtotal			482,048	0.14%	
Liquid Funds						
INE769F01S71	UTI Oversight Fund - Direct Plan - Growth	Management of Mutual Funds	48575.6839%	218,418,306	41.47%	
	Subtotal			218,418,306	41.47%	

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Debt Instruments		221,173,251	67.17%
Credit Rating Exposure			
AAA / Equivalent		221,173,251	67.17%
Money Market Instruments		148,900,351	41.61%
Cash / Cash Equivalent Net Current Assets		-39,309,741	-11.78%
Grand Total		330,763,861	100.00%

NAV DATE	NAV
at the beginning of the period	10,000
at the end of the period	10,293
Total NPAs provided for and its percentage of NAV	Nil
Total value and Percentage of illiquid equity shares	Nil
Total Outstanding exposure in derivative instruments at the end of the period	Nil
Total Infrastructure investments	111,889,089
Average Maturity of Portfolios (in Yrs)	13.71
Modified Duration (in Yrs)	9.10
Yield to Maturity (%)	12.92%



NATIONAL PENSION SYSTEM TRUST

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

Key Statistics

S. No.	Particulars	As at March 31, 2023
1	NAV Per Unit (Rs.)*	
	As on Opening Date (12/09/2022)	10.0000
	High	10.2923
	Low	9.9330
	End	10.2923
2	Closing Assets Under Management (Rs. In Lakhs)	
	End	3,337.66
	Average (AAUM)	602.53
3	Gross income as % of AAUM	4.37%
4	Expense Ratio	
a	Total Expense as % of AAUM (Scheme wise)	0.14%
b	Management Fee as % of AAUM (Scheme Wise)	0.11%
5	Net Income as a percentage of AAUM	4.23%
6	Portfolio turnover ratio	0.01
7	Returns (%)	
	Last 6 Months	3.43%
	Benchmark	3.66%

** 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 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 C TIER II

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme C Tier II (the Scheme)** managed by **Max Life Pension Fund Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2023, and Revenue Account for the period 12th September, 2022 to 31st March, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India.

- In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2023, &
- In case of Revenue Account, of the surplus of the scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



Emphasis of Matter

The units applied to Pension Fund Scheme on last day of financial year i.e. March 31, 2023 are allotted in next financial year on the receipt of the funds by the PFM from trustee bank i.e. Axis Bank. Accordingly, unit applications money of Rs.7,870/- were allotted units on receipt of money in next financial year.

However, we do not modify our opinion to that extent.

Other Matter

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and are not been subjected to audit by us.

However, we do not modify our opinion to that extent.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the "Background, Assets under management and allocation of assets as on March 31, 2023, Investment objectives of the schemes, Performance glance as on March 31, 2023, Basis and policy of investments underlying the scheme, Liabilities and responsibilities of the pension fund, Evaluation of current economic conditions" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

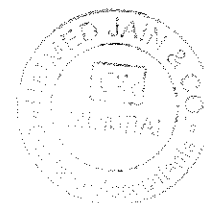
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of PFM, in accordance with the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management of NPS Trust and PFM with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations issued by PFRDA, we report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme;
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books;
- d) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- e) In our opinion, the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee. The Central Record Keeping Agency (CRA) charges have been charged based on communications received from CRA.

For Ummed Jain & Co.
Chartered Accountants
FRN. 119250W



Ummed Jain

CA U.M. Jain
Partner
M. No. 070863

UDIN: 23070863B6AKCS6602

Date: 26 JUN 2023
Place: Mumbai

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER II
BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Schedule	(In Rs.) As at March 31, 2023
Liabilities		
Unitholder's Fund		
Unit Capital	1	9,48,355
Reserves and Surplus	2	30,278
Current Liabilities and Provisions	3	83
Total		9,78,716
Assets		
Investments	4	9,77,139
Other Current Assets	5	1,577
Total		9,78,716
(a) Net assets as per Balance Sheets (4+5-3)		9,78,633
(b) Number of units outstanding		94,836
(c) NAV per unit (a)/(b)		10.3193
Significant accounting policies and notes to accounts	6	

The notes referred to above form an integral part of the financial assets.
This is the Balance Sheet referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W

CA U M Jain
Partner
Membership No. 070863

Date: 26 JUN 2023
Place: MUMBAI



For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited

Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram

Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram

K. Nagarajha Murthy
Director
DIN: 00023046
Place: Hyderabad

Rambhadr Dharwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust

Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI



Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME C TIER II
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Profit on sale/redemption of investments	8,215
Unrealised gain on appreciation in investments	2,838
Other Income	1
Total Income (A)	11,054
Expenses and losses	
Management fees (including GST)	186
NPS Trust Fees	9
CRA fees	465
Less: Amount recoverable by sale of units on account of CRA	(465)
Total Expenditure (B)	195
Surplus/(Deficit) for the year (A-B)	10,859
Less: Amount transferred to Unrealised appreciation account	(2,838)
Less: Amount transferred to General Reserve	8,020
Amount carried forward to Balance Sheet	-
Significant accounting policies and notes to accounts	6

The notes referred to above form an integral part of the financial assets.
This is the Revenue account referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W

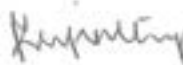


CA U M Jain
Partner
Membership No. 070863



Date: **26 JUN 2023**
MUMBAI

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited



Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram



K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad


Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram


Rimbheer Dharwal
Chief Executive Officer
Place: Gurugram


Date: 25th April, 2023

For and on behalf of NPS Trust


Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: **26 JUN 2023**
Place: MUMBAI




Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: **26 JUN 2023**
Place: MUMBAI

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

Schedules forming part of the financial statements

	As at March 31, 2023
Schedule 1 - Unit Capital	
Outstanding at the beginning of the year	-
Add: Units issued during the year	10,35,962
Less: Units redeemed during the year	87,607
Outstanding at the end of the year (₹)	9,48,355
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the year	-
Add: Units issued during the year	1,03,596
Less: Units redeemed during the year	8,761
Outstanding Units at the end of the year	94,836
Schedule 2 - Reserves and Surplus	
As at March 31, 2023	
Unit Premium Reserve	
Opening Balance	-
Add/(Less): Premium/(Discount) on Units issued	21,396
Add/(Less): Discount/(Premium) on Units redeemed	(1,977)
Add: Transfer from General Reserve	-
Closing Balance	19,419
General Reserve	
Opening Balance	-
Add: Transfer from Revenue Account	8,020
Less: Transfer to Unit Premium Reserve	-
Closing Balance	8,020
Unrealised Appreciation Account	
Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/(Less): Transfer from/(to) Revenue Account	2,838
Closing Balance	2,838
Total	30,278
Schedule 3 - Current Liabilities and Provisions	
As at March 31, 2023	
Current Liabilities	
Sundry Creditors	76
TDS Payable	7
Total	83
Schedule 4 - Investments	
As at March 31, 2023	
Investments (Long Term and Short Term)	
Others - Mutual Fund Units	9,77,139
Total	9,77,139
Schedule 5 - Other Current Assets	
As at March 31, 2023	
Balances with bank in current account	1,577
Total	1,577

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

SCHEME C TIER II

Schedule 6

Significant accounting policies & notes to accounts for the year ended March 31, 2023

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.

PFRDA has appointed Deutsche Bank AG (DB) as the custodian w.e.f. April 1st, 2022, 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. 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 appointed by NPS Trust as centralised valuation service provider, 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 PFRDA (Pension Fund) Regulation 2015 , PFRDA (Preparation of financial statements and Auditor's report of

330119



Schemes under National Pension System) Guidelines- 2012, Accounting standard specified in Companies (Accounting Standards) Amendment rules 2016 under section 133 of the Companies Act 2013 (the Act) read with Rule 7 of amended companies Accounts Rules 2014 to the extent made applicable by Authority's guidelines 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'.

The term 'period' refers to statement of revenue account is for the period started from 12th September 2022 (being the date of launch date of the scheme) to 31st March 2023 and financials were prepared for the first time.

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.



330123

Valuation of Debt Securities

Debt Securities are classified into following 2 categories:

- i) Coupon bearing securities like Non-Convertible Debentures (NCD), Bonds, etc.
- ii) Discounted securities like Zero Coupon Bonds (ZCB), Commercial Papers (CP), Certificate of Deposits (CD), Bills Purchased under Rediscounted (BRDS) etc.

Debt securities are valued at clean price, which means excluding accrued interest component of the security. If corporate bonds and debentures are quoted cum interest on the exchange, the valuation must be done by excluding the accrued interest portion (i.e. from the last due date of interest till date) from the quoted price, since the interest is accrued and accounted separately on a daily basis.

Type of Security/Instrument

All Instruments/ Securities with residual maturity of more than 30 days

1. Traded Securities

The traded price shall be taken subject to the fulfillment of the conditions practiced/adopted by the valuation agency after consultation with NPS Trust and PFs.

2. Non-Traded Securities:

The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs.

3. Purchase of new securities:

In case of new security purchased for which price is not available, such security shall be valued on the basis of scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities) at which the securities are purchased.

All Instruments/ Securities with residual maturity of upto 30 days

The securities will be valued by amortisation on a straight-line basis to maturity from last valuation price as long as it is within the prescribed range, of the reference price provided by the valuation agency.

Valuation of debt securities below Investment grade of BBB-

All non-investment grade debt securities except with default rating (other than Government securities) and securities where credit rating agencies have suspended the ratings but are performing assets as per PFRDA guidelines shall be valued at a discount of 25% of the face value.

All non-investment grade debt securities (other than Government securities) not covered above shall be valued at the indicative haircut matrix or price provided by the valuation agency. In case the security is traded where the haircut has been applied, lower of the haircut matrix based price and trade price shall be considered.

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Valuation of Mutual Fund Units

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

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.



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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.

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

As at March 31, 2023

Uncalled liability on partly paid shares	NIL
Other Commitments	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. Sachin Arora (Till 14th October, 2022) Mr. Ranbheer Dhariwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagavatula Mr. Piyush Soni Mr. Mayank Sirohi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Alkesh Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	186.04
Balance with Max Life Pension Fund Management Limited are as follows	
Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	60.10

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

As at March 31, 2023

Average Net Asset Value	3,24,692
Purchase of Investments	19,05,200
% to Average Net Assets Value	587%
Sale of Investments	9,39,115
% to Average Net Assets Value	289%

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

As at March 31, 2023

Average Net Asset Value	3,24,692
Purchase of Investments	-
% to Average Net Assets Value	0%
Sale of Investments	-
% to Average Net Assets Value	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

Industry Classification	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.

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

Security Name	Aging	As at March 31, 2023
		NIL

2.9 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted

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NAME OF PENSION FUND
SCHEME NAME
PERIOD

MAX LIFE PENSION FUND MANAGEMENT LIMITED
SCHEME C TIER II
31ST MARCH 2023

ISIN/ANF	Name of the Instrument	Industry	Security	Market Value	% of Portfolio
----------	------------------------	----------	----------	--------------	----------------

Money Market Instruments
Liquid Funds

INF209K01VA3	Aditya Birla Sun Life Liquid Mutual Fund - Direct Plan - Growth	Management of Mutual Funds	2,148.44	779,494	79.65%
INF789FB1S71	UTI Overnight Fund - Direct Plan - Growth	Management of Mutual Funds	64.42	197,644	20.20%
	Subtotal			977,138	99.85%

Equity				-	0.00%
Money Market Instruments				977,138	99.85%
Cash / Cash Equivalent Net Current Assets				1,495	0.15%
Grand Total				978,633	100.00%

NAV DATE	NAV
at the beginning of the period	10.0000
at the end of the period	10.3193
Total NPAs provided for and its percentage of NAV	Nil
Total value and Percentage of illiquid equity shares	Nil
Total Outstanding exposure in derivative instruments at the end of the period	Nil
Total Infrastructure investments	-
Average Maturity of Portfolio (in Yrs.)	-
Modified Duration (in Yrs)	-
Yield to Maturity (%)	-

330125

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

Key Statistics

S. No.	Particulars	As at March 31, 2023
1	NAV Per Unit (Rs.)* As on Opening Date (12/09/2022)	10.0000
	High	10.3193
	Low	9.9995
	End	10.3193
2	Closing Assets Under Management (Rs. In Lakhs)	
	End	9.79
	Average (AAUM)	3.25
3	Gross income as % of AAUM	3.40%
4	Expense Ratio	
a	Total Expense as % of AAUM (Scheme wise)	0.06%
b	Management Fee as % of AAUM (Scheme Wise)	0.11%
5	Net Income as a percentage of AAUM	3.34%
6	Portfolio turnover ratio	-
7	Returns (%)	
	Last 6 Months	2.97%
	Benchmark	3.66%

* 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 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.

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**MAX LIFE PENSION FUND
MANAGEMENT LIMITED**

SCHEME A TIER I

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme A Tier I** (the Scheme) managed by **Max Life Pension Fund Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2023, and Revenue Account for the period 12th September, 2022 to 31st March, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India.

- In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2023, &
- In case of Revenue Account, of the surplus of the scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



Emphasis of Matter

The units applied to Pension Fund Scheme on last day of financial year i.e. March 31, 2023 are allotted in next financial year on the receipt of the funds by the PFM from trustee bank i.e. Axis Bank. Accordingly, unit applications money of Rs.12,860/- were allotted units on receipt of money in next financial year.

However, we do not modify our opinion to that extent.

Other Matter

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and are not been subjected to audit by us.

However, we do not modify our opinion to that extent.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the "Background, Assets under management and allocation of assets as on March 31, 2023, Investment objectives of the schemes, Performance glance as on March 31, 2023, Basis and policy of investments underlying the scheme, Liabilities and responsibilities of the pension fund, Evaluation of current economic conditions" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of PFM, in accordance with the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management of NPS Trust and PFM with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations issued by PFRDA, we report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme;
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books;
- d) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- e) In our opinion, the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee. The Central Record Keeping Agency (CRA) charges have been charged based on communications received from CRA.

For Ummed Jain & Co.
Chartered Accountants
FRN. 119250W



CA U.M. Jain
Partner
M. No. 070863

UDIN: 23070863 BGA CT 1095

Date: 26/06/2023
Place: Mumbai

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME A TIER I
BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Schedule	(In Rs.) As at March 31, 2023
Liabilities		
Unit holder's Fund		
Unit Capital	1	6,72,211
Reserves and Surplus	2	(74,446)
Current Liabilities and Provisions	3	50
Total		5,97,814
Assets		
Investments	4	5,97,084
Other Current Assets	5	730
Total		5,97,814
(a) Net assets as per Balance Sheets (4+5-3)		5,97,765
(b) Number of units outstanding		67,221
(c) NAV per unit (a)/(b)		8.8925
Significant accounting policies and notes to accounts	6	

The notes referred to above form an integral part of the financial assets.
This is the Balance Sheet referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W

Ummed Jain

CA U M Jain
Partner
Membership No. 070863



Date: 26 JUN 2023

MUMBAI

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited

Prashant Tripathy

Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram

K. Narasimha Murthy

K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad



Suresh Bhagavatula
Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram

Ranbheer Dharwal
Ranbheer Dharwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust

Shri. Suraj Bhan
Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI



Shri. Sashi Krishnan
Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME A TIER I
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Profit on sale/redemption of investments	7,097
Unrealised gain on appreciation in investments	1,934
Total Income (A)	9,031
Expenses and losses	
Management fees (including GST)	157
NPS Trust Fees	7
CRA fees	247
Less: Amount recoverable by sale of units on account of CRA	(247)
Other Expenses	1
Total Expenditure (B)	165
Surplus/(Deficit) for the year (A-B)	8,867
Less: Amount transferred to Unrealised appreciation account	(1,934)
Less: Amount transferred to General Reserve	6,932
Amount carried forward to Balance Sheet	-
Significant accounting policies and notes to accounts	6

The notes referred to above form an integral part of the financial assets.
This is the Revenue account referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W



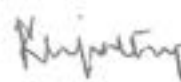
CA U M Jain
Partner
Membership No. 070863

Date: 26 JUN 2023

MUMBAI



For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited



Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram



K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad





Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram



Ranbhoer Dhariwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust



Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI




Shri. Sashi Keshavan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

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

Schedules forming part of the financial statements

Schedule 1 - Unit Capital	As at March 31, 2023
Outstanding at the beginning of the year	-
Add: Units issued during the year	7,84,146
Less: Units redeemed during the year	1,11,934
Outstanding at the end of the year (₹)	6,72,211
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the year	-
Add: Units issued during the year	78,415
Less: Units redeemed during the year	11,193
Outstanding Units at the end of the year	67,221
Schedule 2 - Reserves and Surplus	As at March 31, 2023
Unit Premium Reserve	
Opening Balance	-
Add/ (Less): Premium/ (Discount) on Units issued	(97,198)
Add/ (Less): Discount/ (Premium) on Units redeemed	13,884
Add: Transfer from General Reserve	-
Closing Balance	(83,313)
General Reserve	
Opening Balance	-
Add: Transfer from Revenue Account	6,932
Less: Transfer to Unit Premium Reserve	-
Closing Balance	6,932
Unrealised Appreciation Account	
Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/ (Less): Transfer from/ (to) Revenue Account	1,934
Closing Balance	1,934
Total	(74,446)
Schedule 3 - Current Liabilities and Provisions	As at March 31, 2023
Current Liabilities	
Sundry Creditors	46
TDS Payable	4
Total	50
Schedule 4 - Investments	As at March 31, 2023
Investments (Long Term and Short Term)	
Others - Mutual Fund Units	5,97,084
Total	5,97,084
Schedule 5 - Other Current Assets	As at March 31, 2023
Balances with bank in current account	730
Total	730

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

SCHEME A TIER I

Schedule 6

Significant accounting policies & notes to accounts for the year ended March 31, 2023

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.



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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.

PFRDA has appointed Deutsche Bank AG (DB) as the custodian w.e.f. April 1st, 2022, 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. 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 appointed by NPS Trust as centralised valuation service provider, 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 PFRDA (Pension Fund) Regulation 2015 , PFRDA (Preparation of financial statements and Auditor's report of



Schemes under National Pension System) Guidelines- 2012, Accounting standard specified in Companies (Accounting Standards) Amendment rules 2016 under section 133 of the Companies Act 2013 (the Act) read with Rule 7 of amended companies Accounts Rules 2014 to the extent made applicable by Authority's guidelines 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'.

The term 'period' refers to statement of revenue account is for the period started from 12th September 2022 (being the date of launch date of the scheme) to 31st March 2023 and financials were prepared for the first time.

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.



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Valuation of Investment in Units of Real Estate Investment Trusts (REIT) & Infrastructure Investment Trusts (InvIT)

The investments in units of REIT/InvIT shall be valued on the basis of last closing price at the principal stock exchange (last closing price should not be later than 30 days). If not traded on principal stock exchange, the closing price on any other stock exchange where units are traded will be used.

Valuation of Alternate Investment Funds (AIF)

The investments in units of AIF shall be valued on the basis of last closing price at the principal stock exchange (last closing price should not be later than 30 days). If not traded on principal stock exchange, the closing price on any other stock exchange where units are traded will be used.

Valuation of Investment in Basel III Compliant Perpetual Bonds, Asset Backed Securities (ABS), Mortgage Backed Securities (MBS)

1. Traded Securities

The traded price shall be taken subject to the fulfillment of the conditions practiced/adopted by the valuation agency after consultation with NPS Trust and PFs.

2. Non-Traded Securities:

The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs.

3. Purchase of new securities:

In case of new security purchased for which price is not available, such security shall be valued on the basis of scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities) at which the securities are purchased.

Valuation of debt securities below Investment grade of BBB-

All non-investment grade debt securities except with default rating (other than Government securities) and securities where credit rating agencies have suspended the ratings but are performing assets as per PFRDA guidelines shall be valued at a discount of 25% of the face value.

All non-investment grade debt securities (other than Government securities) not covered above shall be valued at the indicative haircut matrix or price provided by the valuation agency. In case the security is traded where the haircut has been applied, lower of the haircut matrix based price and trade price shall be considered.

Valuation of Mutual Fund Units

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.



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.

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

2.1 Contingent Liabilities As at March 31, 2023

Uncalled liability on partly paid shares	NIL
Other Commitments	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. Sachin Arora (Till 14th October, 2022) Mr. Ranbheer Dhariwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagavatula Mr. Piyush Soni Mr. Mayank Sirohi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Alkesh Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	156.52

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	36.27

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

	As at March 31, 2023
Average Net Asset Value	2,72,128
Purchase of Investments	13,20,750
% to Average Net Assets Value	485%
Sale of Investments	7,32,697
% to Average Net Assets Value	269%

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

	As at March 31, 2023
Average Net Asset Value	2,72,128
Purchase of Investments	-
% to Average Net Assets Value	0%
Sale of Investments	-
% to Average Net Assets Value	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

Industry Classification	Market Value	% of Industry Classification
Mutual Fund	5,97,084	99.89%
Net Current Assets	680	0.11%
Net Asset Value	5,97,765	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.

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

Security Name	Aging	As at March 31, 2023
		NIL

2.9 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted

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NAME OF PENSION FUND
SCHEME NAME
PERIOD

MAX LIFE PENSION FUND MANAGEMENT LIMITED
SCHEME A TIER I
31ST MARCH 2023

ISIN No.	Name of the Instrument	Industry	Quantity	Market Value	Percentage
----------	------------------------	----------	----------	--------------	------------

Money Market Instruments
Liquid Funds

INF209K01VΛ3	Aditya Birla Sun Life Liquid Mutual Fund - Direct Plan - Growth	Management of Mutual Funds	1,280.52	464,596	77.72%
INF789FB1S71	UTI Overnight Fund - Direct Plan - Growth	Management of Mutual Funds	33.37	102,385	17.13%
INF179KB1HP9	HDFC Liquid Mutual Fund - Direct Plan - Growth	Management of Mutual Funds	6.81	30,103	5.04%
	Subtotal			597,084	99.89%
	Money Market Instruments			597,084	99.89%
	Cash / Cash Equivalent Net Current Assets			680	0.11%
	Grand Total			597,765	100.00%

NAV DATE	NAV
at the beginning of the period	10.0000
at the end of the period	8.8925
Total NPAs provided for and its percentage of NAV	Nil
Total value and Percentage of illiquid equity shares	Nil
Total Outstanding exposure in derivative instruments at the end of the period	Nil
Total Infrastructure investments	-
Average Maturity of Portfolio (in Yrs.)	-
Modified Duration (in Yrs.)	-
Yield to Maturity (%)	-

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

Key Statistics

S. No.	Particulars	As at March 31, 2023
1	NAV Per Unit (Rs.)* As on Opening Date (12/09/2022)	10.0000
	High	10.0000
	Low	8.6249
	End	8.8925
2	Closing Assets Under Management (Rs. In Lakhs)	
	End	5.98
	Average AAuM	2.72
3	Gross income as % of AAuM	3.32%
4	Expense Ratio	
a	Total Expense as % of AAuM (Scheme wise)	0.06%
b	Management Fee as % of AAuM (Scheme Wise)	0.11%
5	Net Income as a percentage of AAuM	3.26%
6	Portfolio turnover ratio	-
7	Returns (%)	
	Last 6 Months	2.98%
	Benchmark	Not Applicable

* 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

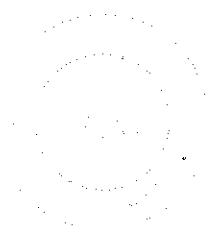
4 Total Expenses = Total Expenses as per Revenue Account

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.



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**MAX LIFE PENSION FUND
MANAGEMENT LIMITED**

SCHEME TAX SAVER TIER II

INDEPENDENT AUDITORS' REPORT

To,
The Trustees,
National Pension System Trust

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **National Pension System Trust (NPS Trust) A/c Scheme Tax Saver Tier II (the Scheme)** managed by **Max Life Pension Fund Management Limited (PFM)** which comprise the Balance Sheet as at 31st March, 2023, and Revenue Account for the period 12th September, 2022 to 31st March, 2023 and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by PFRDA (Preparation of Financial Statements and Audit Reports of Schemes Under National Pension System) Guidelines 2012 and amendments thereto, and give a true and fair view in conformity with the accounting principles generally accepted in India.

- In case of Balance Sheet, of the state of affairs of the Scheme as at March 31, 2023, &
- In case of Revenue Account, of the surplus of the scheme for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the PFM / the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements under the Regulations and other applicable guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA) / NPS Trust and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.



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Emphasis of Matter

The units applied to Pension Fund Scheme on last day of financial year i.e. March 31, 2023 are allotted in next financial year on the receipt of the funds by the PFM from trustee bank i.e. Axis Bank. Accordingly, unit applications money of Rs.10,000/- were allotted units on receipt of money in next financial year.

However, we do not modify our opinion to that extent.

Other Matter

The transactions initiated by subscribers in the Scheme are maintained by the Central Recordkeeping Agency ("CRA") and are not been subjected to audit by us.

However, we do not modify our opinion to that extent.

Other Information

The PFM's Board of Directors is responsible for the other information. The other information comprises the "Background, Assets under management and allocation of assets as on March 31, 2023, Investment objectives of the schemes, Performance glance as on March 31, 2023, Basis and policy of investments underlying the scheme, Liabilities and responsibilities of the pension fund, Evaluation of current economic conditions" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Board of Directors of PFM, in accordance with the Regulations, Pension Fund Regulatory and Development Authority (PFRDA) Guidelines and the Investment Management Agreement (the IMA) executed with NPS Trust, is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting principles generally accepted in India, including the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by PFRDA to the Scheme. This responsibility also includes maintenance of adequate accounting records in accordance with PFRDA guidelines for safeguarding of the assets of the PFM and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, NPS Trust and PFM management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless NPS Trust / PFM management either intends to liquidate the Schemes or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of PFM is also responsible for overseeing the PFM's financial reporting process on the recommendation of NPS Trust.

Auditor's Responsibility for the Audit of the Financial Statements

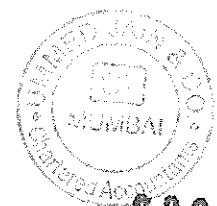
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Schemes managed by PFM ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Schemes managed by PFM to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management of NPS Trust and PFM, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management of NPS Trust and PFM with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



030147

Report on Other Legal and Regulatory Requirements

As required by the Schedule VII to the Regulations issued by PFRDA, we report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- b) The Balance Sheet and Revenue account of the Scheme are in agreement with the books of account of the Scheme;
- c) In our opinion, proper books of account of the Scheme, as required by the PFRDA have been maintained by PFM so far as appears from our examination of those books;
- d) All transaction expenses in excess of the limits (if any) contractually agreed to/approved by the Authority are borne by the PFM and are not charged to the NAV of the Scheme; and
- e) In our opinion, the Balance Sheet and Revenue Account of the Scheme dealt with by this report comply with the Accounting Standards notified under the Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014 (as amended) to the extent made applicable by the Regulations.

We further certify that:

- a) Investments have been valued in accordance with the guidelines issued by PFRDA
- b) Transaction and claims/fee raised by different entities are in accordance with the prescribed fee. The Central Record Keeping Agency (CRA) charges have been charged based on communications received from CRA.

For Ummed Jain & Co.
Chartered Accountants
FRN. 119250W



Ummed Jain

CA U.M. Jain
Partner
M. No. 070863

UDIN: 23070863B6AKCV 4020

Date: 26 JUN 2023
Place: Mumbai

NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME TAX SAVER TIER II
BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Schedule	(In Rs.) As at March 31, 2023
Liabilities		
Unitholder's Fund		
Unit Capital	1	2,08,316.03
Reserves and Surplus	2	5,867.51
Current Liabilities and Provisions	3	18.48
Total		2,14,202.02
Assets		
Investments	4	2,13,644.49
Other Current Assets	5	557.53
Total		2,14,202.02
(a) Net assets as per Balance Sheets (4+5-3)		2,14,184
(b) Number of units outstanding		20,832
(c) NAV per unit (a)/(b)		10.2817
Significant accounting policies and notes to accounts	6	

The notes referred to above form an integral part of the financial assets.
This is the Balance Sheet referred to in our report of even date.

For Ummed Jain & Co.
Chartered Accountants
FRN 119250W


CA U M Jain
Partner
Membership No. 070863




Date: 26 JUN 2023


MUMBAI

For and on behalf of Board of Directors of
Max Life Pension Fund Management Limited


Prashant Tripathy
Director
DIN: 08260516
Place: Gurugram

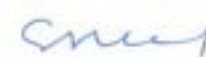

K. Narasimha Murthy
Director
DIN: 00023046
Place: Hyderabad


Suresh Bhagavatula
Chief Financial Officer
Place: Gurugram


Ranbheer Dhariwal
Chief Executive Officer
Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust


Shri. Suraj Bhan
(Chairman, Board of NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI




Shri. Sashi Krishnan
(Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
Place: MUMBAI

NATIONAL PENSION SYSTEM TRUST
 NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED - SCHEME TAX SAVER TIER II
 REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Profit on sale/redemption of investments	1,578
Unrealised gain on appreciation in investments	645
Other Income	-
Total Income (A)	2,223
Expenses and losses	
Management fees (including GST)	38
NPS Trust Fees	2
CRA fees	-
Less: Amount recoverable by sale of units on account of CRA	-
Total Expenditure (B)	40
Surplus/(Deficit) for the year (A-B)	2,184
Less: Amount transferred to Unrealised appreciation account	(645)
Less: Amount transferred to General Reserve	1,539
Amount carried forward to Balance Sheet	-
Significant accounting policies and notes to accounts	6

The notes referred to above form an integral part of the financial assets.
 This is the Revenue account referred to in our report of even date.

For Ummed Jain & Co.
 Chartered Accountants
 FRN 119250W



CA U M Jain
 Partner
 Membership No. 070863

Date: 26 JUN 2023
 MUMBAI

For and on behalf of Board of Directors of
 Max Life Pension Fund Management Limited

Prashant Tripathy
 Director
 DIN: 08260516
 Place: Gurugram

K. Navasimha Murthy
 Director
 DIN: 00023046
 Place: Hyderabad

Suresh Bhagavatula
 Chief Financial Officer
 Place: Gurugram

Ranbheer Dhariwal
 Chief Executive Officer
 Place: Gurugram

Date: 25th April, 2023

For and on behalf of NPS Trust

Shri. Suraj Bhan
 (Chairman, Board of NPS Trust)

Date: 26 JUN 2023
 Place: MUMBAI



Shri. Sashi Krishnan
 (Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
 Place: MUMBAI

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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

Schedule 1 - Unit Capital As at March 31, 2023

Outstanding at the beginning of the year	-
Add: Units issued during the year	2,08,316
Less: Units redeemed during the year	-

Outstanding at the end of the year (₹) **2,08,316**

(Face Value of Rs.10/- each unit, fully paid up)

Outstanding units at the beginning of the year	-
Add: Units issued during the year	20,832
Less: Units redeemed during the year	-

Outstanding Units at the end of the year **20,832**

Schedule 2 - Reserves and Surplus As at March 31, 2023

Unit Premium Reserve

Opening Balance	-
Add/(Less): Premium/(Discount) on Units issued	3,684
Add/(Less): Discount/(Premium) on Units redeemed	-
Add: Transfer from General Reserve	-

Closing Balance **3,684**

General Reserve

Opening Balance	-
Add: Transfer from Revenue Account	1,539
Less: Transfer to Unit Premium Reserve	-

Closing Balance **1,539**

Unrealised Appreciation Account

Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/(Less): Transfer from/(to) Revenue Account	645

Closing Balance **645**

Total **5,868**

Schedule 3 - Current Liabilities and Provisions As at March 31, 2023

Current Liabilities

Sundry Creditors	17
TDS Payable	2

Total **19**

Schedule 4 - Investments As at March 31, 2023

Investments (Long Term and Short Term)

Others - Mutual Fund Units	2,13,645
----------------------------	----------

Total **2,13,645**

Schedule 5 - Other Current Assets As at March 31, 2023

Balances with bank in current account	558
---------------------------------------	-----

Total **558**

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

SCHEME TAX SAVER TIER II

Schedule 6

Significant accounting policies & notes to accounts for the year ended March 31, 2023

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.

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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.

PFRDA has appointed Deutsche Bank AG (DB) as the custodian w.e.f. April 1st, 2022, 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. 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 appointed by NPS Trust as centralised valuation service provider, 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 PFRDA (Pension Fund) Regulation 2015 , PFRDA (Preparation of financial statements and Auditor's report of

Schemes under National Pension System) Guidelines- 2012, Accounting standard specified in Companies (Accounting Standards) Amendment rules 2016 under section 133 of the Companies Act 2013 (the Act) read with Rule 7 of amended companies Accounts Rules 2014 to the extent made applicable by Authority's guidelines 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'.

The term 'period' refers to statement of revenue account is for the period started from 12th September 2022 (being the date of launch date of the scheme) to 31st March 2023 and financials were prepared for the first time.

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.



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Valuation of Debt Securities

Debt Securities are classified into following 2 categories:

- i) Coupon bearing securities like Non-Convertible Debentures (NCD), Bonds, etc.
- ii) Discounted securities like Zero Coupon Bonds (ZCB), Commercial Papers (CP), Certificate of Deposits (CD), Bills Purchased under Rediscounted (BRDS) etc.

Debt securities are valued at clean price, which means excluding accrued interest component of the security. If corporate bonds and debentures are quoted cum interest on the exchange, the valuation must be done by excluding the accrued interest portion (i.e. from the last due date of interest till date) from the quoted price, since the interest is accrued and accounted separately on a daily basis.

Type of Security/Instrument

All Instruments/ Securities with residual maturity of more than 30 days

1. Traded Securities

The traded price shall be taken subject to the fulfillment of the conditions practiced/adopted by the valuation agency after consultation with NPS Trust and PFs.

2. Non-Traded Securities:

The securities shall be valued on the basis of scrip level prices released by the valuation agency in consultation with NPS Trust and PFs.

3. Purchase of new securities:

In case of new security purchased for which price is not available, such security shall be valued on the basis of scrip level price (for coupon bearing securities) / scrip level yield (for discounted securities) at which the securities are purchased.

All Instruments/ Securities with residual maturity of upto 30 days

The securities will be valued by amortisation on a straight-line basis to maturity from last valuation price as long as it is within the prescribed range, of the reference price provided by the valuation agency.

Valuation of debt securities below Investment grade of BBB-

All non-investment grade debt securities except with default rating (other than Government securities) and securities where credit rating agencies have suspended the ratings but are performing assets as per PFRDA guidelines shall be valued at a discount of 25% of the face value.

All non-investment grade debt securities (other than Government securities) not covered above shall be valued at the indicative haircut matrix or price provided by the valuation agency. In case the security is traded where the haircut has been applied, lower of the haircut matrix based price and trade price shall be considered.



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Valuation of Government Securities

The Government Securities include Central Government Securities, State Government Securities / Loans (SDL), Treasury Bills (T-bills), Cash Management Bills (CMB), Securities where payment of interest is guaranteed by central or state Government and Other securities such as Municipal Bonds etc.

Securities with residual maturity of more than 30 days

The security will be valued on the basis of scrip level prices released by the valuation agency on the same basis as debt securities maturing greater than 30 days.

Securities with residual maturity of upto 30 days

The security will be valued through amortization on the same basis as debt securities maturing upto 30 days.

Valuation of Equity and Equity related Instrument

A) Securities traded on valuation day

As per closing price of the Principal Stock Exchange. In case, it was not traded on principal stock exchange then the closing price of the secondary stock exchange.

B) Securities not traded on valuation day

When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the principal stock exchange or secondary stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 30 days prior to valuation date.

C) Securities suspended for reasons other than corporate actions

- i) In case trading in an equity security is suspended upto 30 days, then the last traded price would be considered for valuation of that security.
- ii) If an equity security is suspended for more than 30 days, then the valuation may be determined on case to case basis in consultation with PFs, NPS Trust with prior approval of the Authority.

D) Index Funds

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.

E) Exchange Traded Funds

As per the closing price of the day of the respective stock exchange.



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F) IPO Application

1. IPO application money pending allotment at cost basis.
2. Post allotment but awaiting listing at allotment price.

G) Valuation of Futures and Options

Options:

- i) If traded, then closing price to be considered.
- ii) If not traded, then theoretical price based on Black Scholes Model may be considered.

Futures:

All futures shall be valued at the settlement price declared by the exchanges where they are traded in.

H) Valuation of Warrants

- a) **Traded:** In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to equity shares.
- b) **Non-traded:** If not traded, warrants can be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant.

I) Valuation of Preference Shares

- a) **Traded:** If traded, they would be valued as per the valuation guidelines applicable to equity shares.
- b) **Non Traded:**
 - i) Redeemable Preference Shares would be valued similar to valuation of Non-Convertible Debentures and Bonds.
 - ii) Convertible Preference shares would be valued at the value of the equity share which would be obtained based on the conversion ratio.

J) Valuation of Rights

Until the right shares are traded, each right share shall be valued as ex-rights price minus right offer price. In case the rights price is higher than the ex-rights price, then the rights shall be valued at 'nil'. The above formula shall be used till the date of allotment. From the date of allotment, the security shall be valued at the exchange closing price.

Valuation of Shares on Merger, De-merger and Other Corporate Action Events:

On corporate action, above valuation guidelines may be difficult to adopt due to non-availability of the Balance Sheet of the restructured entities in public domain or the resultant securities come up for listing after few days while the valuations are required to be carried out effective on the date of the corporate action itself. Besides, in such cases there are generally no comparative parameters readily available for carrying out the valuation exercise. Following broad valuation guidelines would be used for the valuation of securities resulting from the corporate actions:



1) In the Event of De-Merger

- i) In case the shares of all resultant entities are traded immediately on de-merger, they would be valued at respective traded prices at exchange.
- ii) In case shares of only one company are listed & traded on de-merger:
 - Traded shares are to be valued at traded price.
 - Valuation of the shares of other entity pending listing is to be estimated at using closing value of the pre-demerged entity on the day before the de-merger, closing value of the listed entity on the ex-date of de-merger and the swap ratio using the following steps:
 - a) Arrive at value / market cap of the pre-demerged entity using the closing price on the day before the demerger and the number of shares outstanding.
 - b) Arrive at value / market cap of the de-merged traded company using closing price on the day of demerger and the number of shares outstanding basis swap ratio.
 - c) Estimated value of the entity pending listing/trading post de-merger = 'a - b'. Value per share to be arrived basis number of shares expected to be outstanding based on the swap ratio.

If value of the share of de-merged traded company is equal or in excess of the value of pre de-merger share (i.e. a-b is either 0 or negative), then the non-traded demerged share is to be valued at Zero.

2) In the Event of Merger

In case of merger, when company 'A' is merged with company 'B' and company 'B' continues to be listed, the proportionate shares allotted of 'B' company against company 'A' will be valued at the closing price of company 'B' on the stock exchange.

In case of merger when company 'A' and company 'B' are merged to form company 'C', the value of pending listing company 'C' will be the total valuation price of company 'A' and company 'B' before the ex-date till the new entity company 'C' is listed and traded on a stock exchange.

3) In the Event of Buy-Back of Securities

Market traded price of the shares will be considered for valuation till formal confirmation of acceptance of shares tendered under the buy-back schemes. Quantum of shares accepted under buy-back will be accounted as a sale trade.

Valuation of Mutual Fund Units

Valued at latest NAV declared by Mutual Fund houses. Presently, previous day's Scheme NAVs are being considered as Mutual Fund houses declare NAV after Pension Funds cut off time for NAV declaration.



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.

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

2.1 Contingent Liabilities As at March 31, 2023

Uncalled liability on partly paid shares	NIL
Other Commitments	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. Sachin Arora (Till 14th October, 2022) Mr. Ranbheer Dhariwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagavatula Mr. Piyush Soni Mr. Mayank Sirohi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Alkesh Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	38.14

Balance with Max Life Pension Fund Management Limited are as follows

Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	13.53

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 As at March 31, 2023

Average Net Asset Value	66,132
Purchase of Investments	4,21,300
% to Average Net Assets Value	637%
Sale of Investments	2,09,878
% to Average Net Assets Value	317%

2.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)* As at March 31, 2023

Average Net Asset Value	66,132
Purchase of Investments	-
% to Average Net Assets Value	0%
Sale of Investments	-
% to Average Net Assets Value	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

Industry Classification	Market Value	% of Industry Classification
Mutual Fund	2,13,645	99.75%
Net Current Assets	539	0.25%
Net Asset Value	2,14,184	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.

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

Security Name	Aging	Aging	As at March 31, 2023
			NIL

2.9 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted

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NAME OF PENSION FUND
SCHEME NAME
PERIOD

MAX LIFE PENSION FUND MANAGEMENT LIMITED
SCHEME TAX SAVER TIER II
31ST MARCH 2023

ISIN No.	Name of the Instrument	Category	Quantity	Market Value	% of Portfolio
Money Market Instruments					
Liquid Funds					
JNF209K01VA3	Aditya Birla Sun Life Liquid Mutual Fund - Direct Plan - Growth	Management of Mutual Funds	418.90	151,986	70.96%
JNF799FB1S71	UTI Overnight Fund - Direct Plan - Growth	Management of Mutual Funds	20.10	61,658	28.79%
	Subtotal			213,645	99.75%
	Money Market Instruments			213,645	99.75%
	Cash / Cash Equivalent Net Current Assets			339	0.25%
	Grand Total			214,184	100.00%

NAV DATE	NAV
at the beginning of the period	10.0000
at the end of the period	10.2817
Total NPAs provided for and its percentage of NAV	Nil
Total value and Percentage of illiquid equity shares	Nil
Total Outstanding exposure in derivative instruments at the end of the period	Nil
Total Infrastructure investments	Nil
Average Maturity of Portfolio (in Yrs.)	-
Modified Duration (in Yrs.)	-
Yield to Maturity (%)	-

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

Key Statistics

S. No.	Particulars	As at March 31, 2023
1	NAV Per Unit (Rs.)* As on Opening Date	10.0000
	High	10.2817
	Low	9.9996
	End	10.2817
2	Closing Assets Under Management (Rs. In Lakhs)	
	End	2.14
	Average AAuM	0.66
3	Gross income as % of AAuM	3.36%
4	Expense Ratio	
a	Total Expense as % of AAuM (Scheme wise)	0.06%
b	Management Fee as % of AAuM (Scheme Wise)	0.11%
5	Net Income as a percentage of AAuM	3.30%
6	Portfolio turnover ratio	-
7	Returns (%)	
	Last 6 Months	2.68%
	Benchmark	Not Applicable

* 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 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.

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**MAX LIFE PENSION FUND
MANAGEMENT LIMITED**

**CONSOLIDATED SCHEME
FINANCIAL STATEMENT**

NATIONAL PENSION SYSTEM TRUST
 NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED
 COMBINED BALANCE SHEET OF ALL PENSION SCHEMES AS AT MARCH 31, 2023

Particulars	Schedule	(In Rs.) As at March 31, 2023
Liabilities		
Unitholder's Fund		
Unit Capital	1	1,417,484,942
Reserves and Surplus	2	8,113,403
Current Liabilities and Provisions	3	177,418,450
Total		1,603,016,795
Assets		
Investments	4	1,508,630,226
Other Current Assets	5	44,386,570
Total		1,603,016,795
(a) Net assets as per Balance Sheets		1,425,598,345
(b) Number of units outstanding		141,748,494

For Ummed Jain & Co,
 Chartered Accountants
 FRN 119250W

CA U M Jain
 Partner
 Membership No. 070863



For and on behalf of Board of Directors of
 Max Life Pension Fund Management Limited

Prashant Tripathy
 Director
 DIN: 08260516
 Place: Gurugram

Suresh Bhagavatula
 Chief Financial Officer
 Place: Gurugram

K. Narasimha Murthy
 Director
 DIN: 00023046
 Place: Hyderabad

Rambhadr Chaturwal
 Chief Executive Officer
 Place: Gurugram

Date: 26 JUN 2023
 Place: MUMBAI

4DJHNE-23070863B64K CW 9181

Date: 25th April, 2023

For and on behalf of NPS Trust

Shri. Suraj Bhan
 (Chairman, Board of NPS Trust)

Date: 26 JUN 2023
 Place: MUMBAI

Mr. Sashi Krishnan
 (Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
 Place: MUMBAI



NATIONAL PENSION SYSTEM TRUST
 NPS TRUST A/C - MAX LIFE PENSION FUND MANAGEMENT LIMITED
 COMBINED REVENUE ACCOUNT OF ALL PENSION SCHEMES FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	(In Rs.) Period ended March 31, 2023
Income	
Dividend	445,932
Interest	6,633,751
Profit on sale/redemption of investments	1,991,980
Profit on inter-scheme transfer/sale of investments	2,205
Unrealised gain on appreciation in investments	3,215,063
Other Income	37
Total Income (A)	12,268,968
Expenses and losses	
Unrealised losses in value of investments	88,151
Loss on sale/redemption of investments	576,794
Loss on inter-scheme transfer/sale of investments	5,067
Management fees (including service tax)	165,858
NPS Trust Fee	7,809
Depository and settlement charges	10,567
CRA fees	79,452
Less: Amount recoverable by sale of units on account of CRA Charges	(79,452)
Other Expenses	1
Total Expenditure (B)	834,038
Surplus/(Deficit) for the period (A-B)	11,434,931
Less: Amount transferred to Unrealised appreciation account	(3,146,912)
Less: Amount transferred to General Reserve	8,288,018
Amount carried forward to Balance Sheet	-

For Ummed Jain & Co.
 Chartered Accountants
 FSN 119250W

CA U M Jain
 Partner
 Membership No. 070863

Date: 26 JUN 2023
 Place: MUMBAI



For and on behalf of Board of Directors of
 Max Life Pension Fund Management Limited

Prashant Tripathy
 Director
 DIN: 0820516
 Place: Gurugram

Suresh Bhagaratula
 Chief Financial Officer
 Place: Gurugram

Date: 25th April, 2023

K. Narasimha Murthy
 Director
 DIN: 00023046
 Place: Hyderabad

Ranbheer Dhanwal
 Chief Executive Officer
 Place: Gurugram

For and on behalf of NPS Trust

Smt. Sura Ekan
 (Chairman, Board of NPS Trust)

Date: 26 JUN 2023
 Place: MUMBAI



Smt. Sashi Krishnam
 (Chief Executive Officer, NPS Trust)

Date: 26 JUN 2023
 Place: MUMBAI

NATIONAL PENSION SYSTEM TRUST
 NPS TRUST A/C - MAX LIFE PENSION MANAGEMENT LIMITED
 NOTES ANNEXED TO AND FORMING PART OF THE COMBINED BALANCE SHEET OF ALL PENSION SCHEMES AS AT MARCH 31, 2023

Schedule 1 - Unit Capital	As at March 31, 2023
Outstanding at the beginning of the year	-
Add: Units issued during the year	1,448,364,899
Less: Units redeemed during the year	38,679,957
Outstanding at the end of the year (₹)	1,417,484,942
(Face Value of Rs.10/- each unit, fully paid up)	
Outstanding units at the beginning of the year	-
Add: Units issued during the year	144,836,490
Less: Units redeemed during the year	3,867,996
Outstanding Units at the end of the year	141,748,494
Schedule 2 - Reserves and Surplus	As at March 31, 2023
Unit Premium Reserve	
Opening Balance	-
Add: Premium on Units issued	(3,889,956)
Less: Premium on Units redeemed	(281,571)
Add: Transfer from General Reserve	-
Closing Balance	(5,321,527)
General Reserve	
Opening Balance	-
Add: Transfer from Revenue Account	8,288,018
Less: Transfer to Unit Premium Reserve	-
Closing Balance	8,288,018
Unrealised Appreciation Account	
Opening Balance	-
Add: Adjustment for Previous years unrealised appreciation reserve	-
Add/(Less): Transfer from/(to) Revenue Account	3,346,912
Closing Balance	3,346,912
Total	8,313,403
Schedule 3 - Current Liabilities and Provisions	As at March 31, 2023
Current Liabilities	
Sundry Creditors for expenses	70,130
Redemption Payable	3,186,076
TDS Payable	5,346
Contract for Purchase of Investments	172,176,899
Total	177,418,450
Schedule 4 - Investments	As at March 31, 2023
Investments (Long Term and Short Term)	
Equity Shares	418,898,182
Debentures and Bonds Listed/ Awaiting Listing	224,175,251
Central and State Government Securities (including treasury bills)	623,505,514
Commercial Paper	482,048
Others - Mutual Fund Units	291,601,228
Total	1,558,650,226
Schedule 5 - Other Current Assets	As at March 31, 2023
Balances with bank in current account	8,794,013
Contracts for sale of investments	12,173,806
Outstanding and accrued income	13,432,663
Dividend Receivable	6,488
Sundry Debtors	12,000,000
Total	44,566,570

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**NATIONAL PENSION SYSTEM TRUST
NPS TRUST A/C MAX LIFE PENSION MANAGEMENT LIMITED**

Abridged Notes to Accounts

1.1 Contingent Liabilities As at March 31, 2023

Uncalled liability on partly paid shares	NIL
Other Commitments	NIL

1.2 Investments

All investments of the scheme are in the name of the NPS Trust.
No investments are made in Derivatives and Non-Traded Securities.
All investments are performing investments. There are no NPAs.
There is no security borrowed or lent by the schemes during the year.

Scheme Name	As at March 31, 2023	
	(In Rs.)	As a % to Net Assets
Scheme E Tier I	1,797,080	0.41%
Scheme E Tier II	163,850	-1.87%
Scheme C Tier I	405,691	0.12%
Scheme C Tier II	2,838	0.29%
Scheme G Tier I	1,025,129	0.16%
Scheme G Tier II	2,846	0.21%
Scheme A Tier I	1,904	0.32%
Scheme Tax Saver Tier II	645	0.30%
Consolidated (Total)	3,146,912	0.22%

1.3 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. Sachin Arora (Till 14th October, 2022) Mr. Randeep Dharwal (Appointed w.e.f. 15th October, 2022) Mr. Suresh Bhagwanala Mr. Piyush Soni Mr. Mayank Soodi Mr. Abhishek Bansal Ms. Meghna Shah (Till 18th January, 2023) Mr. Akash Jain (Appointed w.e.f. 6th February, 2023)

The following represents significant transactions between the company and its related parties for the year ended March 31, 2023

Nature of Transactions	Period ended March 31, 2023
Investment Management Fees (Including GST)	165,698.37
Balance with Max Life Pension Fund Management Limited are as follows	
Nature of Transactions	As at March 31, 2023
Investment Management Fees Payable (Net of TDS)	48,113.34

1.4 Provisions

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

1.5 Aggregate value of purchase and sale with percentage to average assets As at March 31, 2023

Average Net Asset Value	292,089,626
Purchase of Investments	2,956,833,839
% to Average Net Assets Value	99%
Sale of Investments	1,345,783,774
% to Average Net Assets Value	461%

1.6 Aggregate value of purchase and sale with percentage to average assets (Excluding Mutual Funds)* As at March 31, 2023

Average Net Asset Value	292,089,626
Purchase of Investments	1,389,737,060
% to Average Net Assets Value	476%
Sale of Investments	109,115,602
% to Average Net Assets Value	37%

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

1.7 Age wise disclosure for shares/debtsecurities/ other application money pending for allotment

Security Name	Aging	As at March 31, 2023
		NIL

1.8 Prior Year Comparative

The scheme started its operation on September 12, 2022. Hence, previous year figures are omitted.

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NATIONAL PENSION SYSTEM TRUST
 NPS TRUST AC MAX LIFE PENSION MANAGEMENT LIMITED

Abridged Notes to Accounts

1.2 Unit Capital Movement during the year

Particulars	E Tier I March 31, 2021	E Tier II March 31, 2021	C Tier I March 31, 2021	C Tier II March 31, 2021	G Tier I March 31, 2021	G Tier II March 31, 2021	A Tier I March 31, 2021	Tier II Top Share March 31, 2021	Consolidated March 31, 2021
Unit Capital									
Outstanding at the beginning of the year									
Add: Units issued during the year	406,421,481	3,524,526	575,756,394	1,471,962	433,493,809	1,576,671	798,146	208,716	1,448,364,295
Less: Units redeemed during the year	8,426,393	462,716	3,479,426	47,467	13,636,264	226,187	111,934	-	8,679,937
Outstanding at the end of the year (B)	407,995,088	3,061,810	572,276,968	1,424,495	429,857,545	1,350,484	686,212	208,716	1,439,684,362
(Face Value of Rs.100 each with fully paid up)									
Outstanding units at the beginning of the year									
Add: Units issued during the year	40,642,148	352,453	57,575,639	147,196	43,349,381	157,667	79,815	20,872	144,836,495
Less: Units redeemed during the year	842,636	46,272	347,672	47,467	13,636,264	226,187	111,934	-	8,679,937
Outstanding Units at the end of the year	40,799,509	306,181	57,228,967	142,449	42,985,744	135,048	68,621	20,872	143,964,362



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**MAX LIFE PENSION FUND
MANAGEMENT LIMITED**

CERTIFICATE ON
VOTING REPORT

930170

M M NISSIM & CO LLP
CHARTERED ACCOUNTANTS

A-5, Lower Ground Floor, Dayanand Colony,
Lajpat Nagar-IV, New Delhi - 110 024
Tel: (011) 2629 3244
Website: www.mmnissim.com
E-Mail: capital@mmnissim.com
LLPIN: AAT-7548

To,
The Board of Directors
Max Life Pension Fund Management Ltd
3rd Floor, Plot No. 90C, Sector-18, Urban Estate,
Gurugram, Haryana - 122001

1. We, M M Nissim & Co LLP, Chartered Accountants, Firm Registration Number 107122W/W100672, have received a request from Max Life Pension Fund Management Ltd (hereinafter referred to as "Pension Fund"), requesting us to examine the quarterly voting reports for the financial year 2022-23 ("Voting Reports") as prepared by the Pension Fund, in accordance with the Pension Fund Regulatory and Development Authority (PFRDA) circular no. PFRDA/2017/17/PF/1 dated 20.04.2017. Our scope of work excludes commenting upon the evaluation of the management decision/ rationale for arriving at the voting decisions.

Management's Responsibility

2. The preparation, presentation and appropriate disclosure of quarterly Voting Reports is the responsibility of the Pension Fund including preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation, presentation and disclosure of the Voting Reports and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. Also, this responsibility includes ensuring that the relevant records provided to us for our verification are correct and complete in all aspects.
3. The management of the Pension Fund is responsible for ensuring that the Pension Fund has voted on important decisions that may affect the interest of the NPS subscribers and the rationale recorded for vote decision is prudent and adequate.
4. The Pension Fund is also responsible for ensuring the compliance to the aforesaid Circular as amended from time to time and provides all relevant information to the Trustee.

Auditors' Responsibility

5. Pursuant to the requirements of the Circulars, it is our responsibility to provide a reasonable assurance on whether the quarterly voting reports disclose the particulars as required and whether the same has been disclosed on the Pension Fund's website within the stipulated time as per the Circulars.
6. We have conducted our examination in accordance with the Guidance Note on Audit reports or certificates for Special Purpose (Revised 2016) (the 'Guidance Note') issued by the

Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. We have been provided with relevant records/information in the form of e-mails and some of the records have been obtained from the Pension Fund's website. We have relied upon this records/information as provided to us for the purpose of accuracy and completeness thereof.
9. We have performed the following procedures:
 - 9.1. Obtained Information pertaining to quarterly voting reports as disclosed on the Pension Fund's website for all the quarters of financial year 2022-23 effective from September 2022. Further, voting report for quarter ended March 2023 was obtained from the management of the Pension Fund as the same will be uploaded on the Pension Fund's website in due course.
 - 9.2. Obtained confirmation of the upload of voting reports on Pension Fund's website.
 - 9.3. Obtained summary of the resolutions of the meetings of voting committee from the Pension Fund's management.
 - 9.4. Obtained summary of the voting decisions taken during the financial year ended March 31, 2023, as maintained by the Pension Fund in respect to the voting reports.
 - 9.5. We have examined the contents of quarterly voting reports with the summary of voting decisions and the minutes of the meetings of the voting committee.

Opinion

10. Based on our examination, as above, and according to the information, explanations and written representation provided to us, we are of the opinion that the contents of the Quarterly Voting Reports for all the quarters of financial year 2022-23 agree with the underlying supporting information maintained by the Pension Fund as provided to us and the Voting Reports were published on the Pension Fund's website within the prescribed time limit.

Restriction on Use

11. This certificate is issued at the specific request of the Pension Fund for onward submission to the 'Pension Fund Regulatory and Development Authority' as mentioned in para 1. The same should not be issued, used, or circulated for any other purpose. Accordingly, we do not accept or assume any responsibility or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come, without our prior consent in writing. M M Nissim & Co LLP shall not be liable to Pension Fund or

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to any other concerned for any claims, liabilities or expenses relating to this assignment. We have no responsibility to update this certificate for any events or circumstances occurring after the date of this certificate.

For M M Nissim & Co LLP
Chartered Accountants
Firm Registration No. 107122W/W100672

NITESH Digitally signed by NITESH
KUMAR JAIN
KUMAR JAIN Date: 2023.04.14 13:31:05
+05'30'

(Nitesh Kumar Jain)
Partner
M. No. 511045
ICAI UDIN: - 23511045BGRSHI8242
Cert. No: MMN/DL/C/23-24/APR/015

Place: Kolkata
Date: 14-04-2023

(M M Nissim & Co (a Registered partnership firm) got converted into M M Nissim & Co LLP (a limited liability partnership with LLP identity No. AAT-7548) with effect from 10th September 2020.)