INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LIC MUTUAL FUND ASSET MANAGEMENT LTD.

(Formerly known as LIC Nomura Asset Management Company Limited)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **LIC Mutual Fund Asset Management Ltd.** ("the Company"), (formerly known as **LIC Nomura Asset Management Company Limited)** which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and the design, implementation and maintenance of internal financial control that are operating effectively for ensuing the accuracy and completeness of the accounting records, 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and the matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

M.P. CHITALE & CO. MUMBAI C.A.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profits, and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
    a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
    c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
    d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
    e. On the basis of written representations received from the directors as on 31st March 2016 and taken on record by the Board of Directors, none of the

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directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure A to this report.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:

  i. The Company has disclosed the impact of pending litigations on its financial position as at March 31, 2016 – refer Note 24 to the Financial Statements

  ii. The Company did not have any outstanding long-term contracts including derivative contracts at March 31, 2016 for which there were any material foreseeable losses; and

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M. P. Chitale & Co.
Chartered Accountants
Firm Reg. No. 101851W

V. V. Barje

Vidya Barje
Partner
M. No. 104994

Mumbai
Date: 27-06-2016

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its Fixed Assets

(a) The Company has maintained proper records, showing full particulars including quantitative details and situation of Fixed Assets.

(b) The fixed assets have been physically verified by the management at reasonable intervals.

(ii) The Company's business does not involve inventories and accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company and hence not commented upon.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. During the course of our audit, we have not observed any weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas. The activities of the Company do not involve purchase of inventory and sale of goods.

(v) The Company has not accepted any deposits from the public. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

(vi) To the best of our knowledge and as explained, Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013.

(vii) (a) Undisputed statutory dues including Provident Fund, Income-tax, service tax, Cess and any other material statutory dues have been regularly deposited with the appropriate authorities.

M.P. CHITALE & CO. MUMBAI C.A.

(b) According to the information and explanations given to us, no undisputed dues in respect of Provident Fund, Income-tax, service tax, Cess and any other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they become payable.

(c) According to the records of the Company, the dues outstanding of Income-tax, service tax and Cess on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount in Rupees	Period to which it relates	Forum where the dispute is pending
The Income Tax Act, 1961	Penalty	15,08,486	AY 2009-10	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax including interest as applicable	12,15,99,225	AY 2010-11	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax including interest as applicable	25,47,69,830	AY 2011-12	Commissioner of Income Tax-Appeals
The Income Tax Act, 1961	Income Tax including interest as applicable	1,15,97,196	AY 2012-13	Commissioner of Income Tax-Appeals

(d) The company is not required to transfer any amount to Investor Education Fund by the Company in accordance with the relevant provisions of the Companies Act, 2013 and the rules made there under.

(viii) The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current year. It has incurred cash losses in immediately preceding financial year.

(ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that that the company has not defaulted in repayment of dues to financial institution or bank. The company has not issued any debentures.

(x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.

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(xi) According to the information and explanations given to us, the company did not have any term loans outstanding during the year.

(xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For M. P. Chitale & Co.
Chartered Accountants
Firm Reg. No. 101851W

M. P. CHITALE & CO. 1/11, 1st Floor, ... Ind. Estate, ... Temple, ... Marg, ... Mumbai - 400 025. CHARTERED ACCOUNTANTS

V. V. Barje

Mumbai
Date: 27-06-2016

Vidya Barje
Partner
M. No. 104994

ANNEXURE A

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF LIC MUTUAL FUND ASSET MANAGEMENT LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the members of LIC Mutual Fund Asset Management Ltd.

We have audited the internal financial controls over financial reporting of LIC Mutual Fund Asset Management Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

M.P. CHITALE & CO. MUMBAI C.A.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

M.P. CHITALE & CO. MUMBAI C.A.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory Paragraph

We have also audited, in accordance with the Standards of Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of LIC Mutual Fund Asset Management Ltd., which comprise the Balance Sheet as at March 31, 2016, the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated June 27, 2016 expressed an unqualified opinion thereon.

For M. P. Chitale & Co.
Chartered Accountants
Firm Reg. No. 101851W

V. V. Barje

M. P. CHITALE & CO. 1/11, 1st Floor, Prabhadevi Ind. Estate, Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025. CHARTERED ACCOUNTANTS

Vidya Barje
Partner
Membership No. 104994
Mumbai, June 27, 2016

LIC Mutual Fund Asset Management Limited
(Formerly known as LIC Nomura Mutual Fund Asset Management Company Limited)

Balance Sheet

Amount in ₹

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Share capital	3	110,000,000	110,000,000
Reserves and surplus	4	945,777,525	930,034,375
		1,055,777,525	1,040,034,375
NON-CURRENT LIABILITIES			
Other long-term liabilities	5	5,330,550	5,791,681
Long-term provisions	6	26,094,909	18,585,243
		31,425,459	24,376,924
CURRENT LIABILITIES			
Trade payables	7	43,402,314	34,630,389
Other current liabilities	8	2,128,953	2,761,691
		45,531,267	37,392,080
		1,132,734,251	1,101,803,379
ASSETS			
NON CURRENT ASSETS			
Fixed assets			
Tangible assets	9	13,421,607	17,203,627
Intangible assets	10	884,039	591,466
Non-current investments	11	137,616,518	50,000,000
Long-term loans and advances	12	269,733,195	265,484,390
		421,655,359	333,279,483
CURRENT ASSETS			
Current investments	13	-	734,499,985
Trade receivables	14	43,798,768	20,589,282
Cash and bank balances	15	652,868,344	1,303,435
Short-term loans and advances	16	14,411,780	12,131,194
		711,078,892	768,523,896
		1,132,734,251	1,101,803,379
SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes are an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration No : 101851W

V. V. Barje

Vidya Barje
Partner
Membership No. 104994

For and on behalf of Board of Directors

S K Roy
Chairman
DIN: 02503135

S K Mitra
Director
DIN: 00029961

Pawan Baheti
Chief Financial Officer

S S Dikhale

Sarojini Dikhale
Chief Executive Officer

M K Arora

Mayank Arorá
Company Secretary

Place : Mumbai
Date : 27-06-2016

M. P. CHITALE & CO. 1/11, 1st Floor, Prabhadevi Ind. Estate, Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025. CHARTERED ACCOUNTANTS

LIC MUTUAL FUND ASSET MANAGEMENT LIMITED MUMBAI-20

LIC Mutual Fund Asset Management Limited
(Formerly known as LIC Nomura Mutual Fund Asset Management Company Limited)

Statement of Profit and Loss

Amount in ₹

Particulars	Note	Year Ended March 31, 2016	Year Ended March 31, 2015
INCOME			
Revenue from operations	17	364,253,053	345,050,522
Other income	18	54,801,081	143,931,264
Total revenue		419,054,134	488,981,786
EXPENSES			
Employee benefits expense	19	226,264,748	198,281,372
Other expenses	20	169,591,859	306,358,873
Depreciation & amortisation expenses	21	7,454,377	31,526,900
Total Expenses		403,310,984	536,167,145
PROFIT/(LOSS) BEFORE TAX		15,743,150	(47,185,359)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
PROFIT/(LOSS) FOR THE YEAR		15,743,150	(47,185,359)
EARNINGS PER EQUITY SHARE			
Equity shares of par value ₹ 10,000 each			
Basic and Diluted		1,431	(4,290)
Number of shares used in computing earnings per share			
Basic and Diluted		11,000	11,000
SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes are an integral part of the financial statements
This is the Statement of Profit & Loss referred to in our report of even date

SIGNIFICANT ACCOUNTING POLICIES
The accompanying notes are an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration No : 101851W

V. V. Barje

Vidya Barje
Partner
Membership No. 104994

For and on behalf of Board of Directors

S K Roy
Chairman
DIN: 02503135

S K Mitra
Director
DIN: 00029961

Pawan Baheti
Chief Financial Officer

S S Dikhale

Sarojini Dikhale
Chief Executive Officer

MKArora

Mayank Arora
Company Secretary

Place : Mumbai
Date : 27-06-2016

M. P. CHITALE & CO. 1/11, 1st Floor, Prabhadevi Ind. Estate, Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025. CHARTERED ACCOUNTANTS

LIC MUTUAL FUND ASSET MANAGEMENT LIMITED MUMBAI-20

LIC Mutual Fund Asset Management Limited
(Formerly known as LIC Nomura Mutual Fund Asset Management Company Limited)

Cash Flow Statement

Amount in ₹

Particulars	Year ended Mar 31, 2016		Year ended Mar 31, 2015	
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(Loss) before tax		15,743,150		(47,185,359)
Add/(Less) adjustments for:				
Depreciation and amortization expenses	7,454,377		31,526,900	
Loss/(Profit) on sale of investments (net)	(53,722,386)		(86,398,380)	
Loss/(Profit) on sale of fixed assets (net)	(444,996)		(417,179)	
Provision/(write back) for leave encashment	-		(56,534,212)	
Provision for gratuity	7,509,666		3,167,334	
Provision/(write back) for lease escalation	(461,131)	(39,664,470)	1,327,729	(107,327,808)
Operating profit before working capital changes		(23,921,320)		(154,513,167)
Change in assets and liabilities				
(Increase)/Decrease in current assets	(25,490,072)		15,333,396	
(Increase)/Decrease in loans and advances	(4,248,805)		(21,833,359)	
Increase/(Decrease) in current liabilities	8,139,187	(21,599,690)	(15,971,292)	(22,471,255)
NET CASH FROM OPERATING ACTIVITIES		(45,521,010)		(176,984,422)
CASH FLOW FROM INVESTING ACTIVITIES				
Payment towards capital expenditure	(3,972,443)		(6,001,836)	
Proceed on sale of fixed assets	452,509		638,518	
Investment in liquid mutual fund units	(7,601,728,523)		(1,583,000,000)	
Disposal of liquid mutual fund units	8,302,334,376		1,788,633,947	
Investment in fixed maturity plans	-	697,085,919	(50,000,000)	150,270,629
NET CASH GENERATED BY INVESTING ACTIVITIES		697,085,919		150,270,629
CASH FLOW FROM FINANCIAL ACTIVITIES		-		-
NET CASH USED IN FINANCING ACTIVITIES		-		-
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		651,564,909		(26,713,793)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1,303,435		28,017,228
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		652,868,344		1,303,435

The accompanying notes are an integral part of the financial statements
This is the Balance Sheet referred to in our report of even date

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration No : 101851W

V. V. Barje

Vidya Barje
Partner
Membership No. 104994

For and on behalf of Board of Directors

S K Roy
Chairman
DIN: 02503135

S K Mitra
Director
DIN: 00029961

Pawan Baheti
Chief Financial Officer

S S Dikhale

Sarojini Dikhale
Chief Executive Officer

MK Arora

Mayank Arora
Company Secretary

Place : Mumbai
Date : 27-06-2016

M. P. CHITALE & CO. CHARTERED ACCOUNTANTS

LIC MUTUAL FUND ASSET MANAGEMENT LIMITED MUMBAI-20

LIC Mutual Fund Asset Management Limited
(Formerly known as LIC Nomura Mutual Fund Asset Management Company Limited)
Notes to Financial Statements for the year ended March 31, 2016

1. Company Overview

The principal activity of the Company is to act as an Investment management advisor to LIC Mutual Fund ('the Fund'). The Company manages the investment portfolio and provides various administrative services to the Fund.

The Company also provides portfolio management services ('PMS') to clients under Securities and Exchange Board of India (portfolio managers) Regulations, 1993 (as amended).

2. Significant Accounting Policies

2.1. Basis of preparation of financial statements

These financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values. Indian GAAP comprises mandatory Accounting Standards (AS) as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the act and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year. The estimate and assumptions used in the financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of financial statement. The assets and liabilities have been classified as current and non-current based on 12 month operating cycle.

2.3. Revenue Recognition

i) Revenue from Operations

Investment management fees are accounted on accrual basis in accordance with the Investment Management Agreement and are dependent on the net assets value as recorded by the schemes of LIC Mutual Fund.

Portfolio management fees are recognised, on accrual basis, in accordance with the terms of agreement with respective clients.

Revenue from advisory services is accounted, on accrual basis, based on the terms of agreement with the clients.

M.P. CHITALE & CO. MUMBAI C.A.

LIC MUTUAL FUND ASSET MANAGEMENT LIMITED MUMBAI-20

ii) Other Income

The profit/(loss) on sale of investments are recognised in the Statement of Profit and Loss on the date of trade and determined using the First-In-First-Out (FIFO) basis for individual security.

Interest income is recognised using the time-proportion method, based on the rate implicit in the transaction. Dividend is recognised when right to receive dividend is established.

2.4. Investments

Investments are either classified as current or long-term based on Management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Long-term investments are carried at cost less provision recorded to recognize any decline, other than temporary, in the carrying value of each investment.

2.5. Fixed Assets, Depreciation and Impairment of Assets

i) Tangible assets and capital work-in-progress

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

ii) Intangible assets

Intangible Assets are stated at acquisition cost of such assets and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets under development comprise the cost of assets that are under development for not yet ready for their intended use at the reporting date.

iii) Depreciation and amortization

Depreciation on tangible assets is provided on the straight line method over the useful life of assets estimated by the management. Depreciation for assets purchased/sold during the year is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the assets is available to the Company for its use. The management estimates the useful lives for the other fixed assets as follows:

Particulars	Estimated Useful Life
Furniture and fittings	10 years
Office equipments	5 years

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LIC MUTUAL FUND ASSET MANAGEMENT LIMITED MUMBAI-20

Particulars	Estimated Useful Life
Computers	3 years
Vehicles[a]	5 years
Leasehold improvement	Over the period of lease or useful life, whichever is less
Computer software	3 years

[a] *based on management estimates, the useful life as given above represents the period over which the Management expects to use these assets. Hence the useful life for these assets is different from the useful life as prescribed under Schedule Part C of II of the Companies Act, 2013.*

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Gains or losses arising from the retirement or disposal of fixed assets are recognised as income or expense in the Statement of Profit and Loss.

iv) Impairment

The company assesses carrying amounts of assets, at each financial year end, to ascertain impairment based on internal / external factors. An impairment loss is recognised, in Statement of Profit and Loss, wherever the carrying value of an assets exceeds its recoverable amount. If there is an indication that a previously impaired loss no longer exists, the recoverable amount is reassessed, and the carrying amount of an asset is restated to its revised recoverable amount not exceeding the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

2.6. Employee Benefits

Long Term Employee Benefits

i) Defined Contribution Plan

The company contributes to recognised provident fund scheme, which is defined contribution scheme. The company has no further obligation beyond making the contributions. The contributions are recognised on accrual basis and charged to Statement of Profit and Loss.

ii) Defined Benefits Plan

The company provides for gratuity, a defined contribution plan, covering eligible employees. Liabilities with regards to gratuity are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using Projected Unit Credit Method. The company recognizes the net obligation for the gratuity in the balance sheet as an asset or liability, respectively in accordance with AS - 15 "Employee Benefits". Actuarial gains and

M.P. CHITALE & CO. MUMBAI C.A.

LIC MUTUAL FUND ASSET MANAGEMENT LIMITED MUMBAI-20

losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

2.7. Foreign Currency Transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Realized gains and losses, if any, arising out of transactions settled during the year are recognized in the statement of profit and loss. Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the balance sheet date. the gains or losses resulting from such transaction are included in the statement of profit and loss.

2.8. Income Taxes

Income tax expense comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax asset or liability is recorded for the timing differences based on tax effect of the aggregate amount of timing differences between accounting income and taxable income for the year, subject to the consideration of prudence.

Deferred tax assets are recognized and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are reviewed for the appropriateness of their respective carrying values at each financial year end.

2.9. Earnings per share

Basic earnings per share is computed by dividing the net profit or loss after tax attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit or loss after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.10. Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rental charges over the term of such leases, after taking in to account the escalation clause, are charged to the statement of profit and loss on a straight line basis over the extended lease term.

2.11. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits

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will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liabilities. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognised nor disclosed in the financial statements.

2.12. Distribution and Scheme Overrun Expenses

i) New Fund Offer Expenses

Expenses relating to the new fund offer are charged to Statement of Profit and Loss in which such expenses are incurred.

ii) Distribution Commission

Commission or incentive expenses for distribution of schemes of mutual fund are recognized in the Statement of Profit and Loss in the year in which such expenses are incurred.

Withheld commission or incentive to the distributors is paid only when valid claims are made from when those amounts became due.

iii) Scheme Overrun Expenses

Expenses of schemes of LIC Mutual Fund (Formerly known as LIC Nomura Mutual Fund) in excess of stipulated limits as per SEBI (Mutual Fund) Regulations, 1996 are charged to Statement of Profit and Loss.

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Notes to Financial Statements for the year ended March 31, 2016

3 Share capital

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised:		
25,000 equity shares of ₹10,000 each	250,000,000	250,000,000
Issued, subscribed and paid up:		
11,000 equity shares of ₹10,000 each, fully paid up	110,000,000	110,000,000
	110,000,000	110,000,000

a) The reconciliation of the number of shares outstanding and the amount of share capital as at the beginning and at the end of the reporting period are as follows:

Particulars	No. of shares As at March 31, 2016	No. of shares As at March 31, 2015	Amount As at March 31, 2016	Amount As at March 31, 2015
Opening number of shares outstanding	11,000	11,000	110,000,000	110,000,000
Add : Shares issued during the year	-	-	-	-
Closing number of shares outstanding	11,000	11,000	110,000,000	110,000,000

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10,000 per share. Each holder of equity shares is entitled to one vote per share.

c) Details of shareholders holding more than 5% shares are as follows:

Name of the shareholder	As at March 31, 2016 No. of shares	As at March 31, 2016 % held	As at March 31,, 2015 No. of shares	As at March 31,, 2015 % held
Equity shares of ₹ 10,000 each fully paid:				
LIC of India and its nominees	4,950	45%	4,950	45%
LIC Housing Finance Limited	2,200	20%	2,200	20%
Nomura Asset Management Strategic Investment Pte. Ltd.	3,850	35%	3,850	35%
	11,000	100%	11,000	100%

4 Reserves and surplus

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Securities premium account	790,000,000	790,000,000
General reserve:		
Balance as at the beginning of the year	519,640,000	519,640,000
Add: transferred from surplus	-	-
Balance as at the end of the period	519,640,000	519,640,000
Surplus/(Deficit) in the Statement of Profit and Loss:		
Balance as at the beginning of the year	(379,605,625)	(332,420,266)
Profit /(Loss) for the year	15,743,150	(47,185,359)
Balance as at the end of the period	(363,862,475)	(379,605,625)
	945,777,525	930,034,375

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5 Other long-term liabilities

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Lease obligation payable	5,330,550	5,791,681
	5,330,550	5,791,681

6 Long-term provisions

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits:		
Provision for gratuity	22,978,344	15,468,678
Other provisions:		
Provision for contingencies	3,116,565	3,116,565
	26,094,909	18,585,243

7 Trade payables

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Trade payables*#	43,402,314	34,630,389
	43,402,314	34,630,389

* No amounts due and outstanding to be credited to investor education and protection fund.

\# There are no dues to micro, small and medium enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

8 Other current liabilities

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Employee benefits payable	725,679	990,578
Statutory dues	1,403,274	1,771,113
	2,128,953	2,761,691

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LIC Mutual Fund Asset Management Limited
(Formerly known as LIC Nomura Mutual Fund Asset Management Company Limited)

Notes to Financial Statements for the year ended March 31, 2016

9 Tangible Assets

Amount in ₹

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2015	Additions	Disposals	March 31, 2016	April 1, 2015	For the year	Disposals/ Adjustments	March 31, 2016	March 31, 2016	March 31, 2015
Own assets:										
Leasehold improvements	29,481,288	523,584	-	30,004,872	20,608,753	2,973,903	-	23,582,656	6,422,216	8,872,535
Office equipment	7,074,869	802,782	62,085	7,815,566	5,810,181	476,269	56,300	6,230,150	1,585,416	1,264,688
Computer	57,725,385	1,274,305	2,386,000	56,613,690	53,379,815	2,380,202	2,384,279	53,375,738	3,237,952	4,345,570
Furniture and fittings	4,793,742	186,893	10,128	4,970,507	3,363,781	208,325	10,122	3,561,984	1,408,523	1,429,961
Motor vehicles	6,017,123	-	464,470	5,552,653	4,726,250	523,372	464,469	4,785,153	767,500	1,290,873
Total	105,092,407	2,787,564	2,922,683	104,957,288	87,888,780	6,562,071	2,915,170	91,535,681	13,421,607	17,203,627
March 31, 2015	100,985,850	6,001,836	1,895,279	105,092,407	72,432,888	17,129,832	1,673,940	87,888,780	17,203,627	28,552,962

10 Intangible Assets

Amount in ₹

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2015	Additions	Disposals	March 31, 2016	April 1, 2015	For the year	Disposals/ Adjustments	March 31, 2016	March 31, 2016	March 31, 2015
Own assets:										
Software applications	85,462,413	1,184,879	-	86,647,292	84,870,947	892,306	-	85,763,253	884,039	591,466
Total	85,462,413	1,184,879	-	86,647,292	84,870,947	892,306	-	85,763,253	884,039	591,466
March 31, 2015	85,462,413	-	-	85,462,413	70,473,879	14,397,068	-	84,870,947	591,466	14,988,534

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LIC Mutual Fund Asset Management Limited
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Notes to Financial Statements for the year ended March 31, 2016

11 Non-current investments

Amount in ₹

Particulars	No. of Units As at March 31, 2016	No. of Units As at March 31, 2015	Amount As at March 31, 2016	Amount As at March 31, 2015
Investment in mutual fund units:				
(valued at cost, quoted)			70,559,748	50,000,000
Units of LIC Mutual Fund:				
FMP Series-92-1100 Days-Direct Growth Plan Option	5,000,000	5,000,000	50,000,000	50,000,000
G Sec. Long Term Exchange Traded Fund	400,000	-	5,559,950	-
Exchage Traded Fund - Nifty 50 - Growth Plan	63,641	-	4,999,987	-
Exchage Traded Fund - Sensex - Growth Plan	19,123	-	4,999,836	-
Exchange Traded Fund Nifty 100 - Growth Plan	65,774	-	4,999,975	-
(valued at cost, unquoted)			67,056,770	-
Units of LIC Mutual Fund:				
Bond Fund - Direct Growth Plan	127,425.870	-	5,000,000	-
Banking & Financial Services Fund- Direct Growth Plan	400,944.113	-	3,958,000	-
Balanced Fund - Direct Growth Plan	19,906.093	-	1,731,000	-
Children's Fund - Direct Plan	33,994.411	-	500,000	-
Equity Fund - Direct Growth Plan	123,307.907	-	5,000,000	-
Growth Fund - Direct Growth Plan	244,495.191	-	5,000,000	-
Gilt Fund - Direct - Regular Growth Plan	131,986.687	-	4,140,000	-
Index Fund Sensex Plan -Direct Growth Option	34,694.470	-	1,812,770	-
Index Fund Nifty Plan -Direct Growth Option	42,450.858	-	1,970,000	-
Infrastructure Fund - Direct Growth Plan	412,752.398	-	5,000,000	-
Liquid Fund - Direct Growth Plan	1,959.043	-	5,000,000	-
Income Plus Fund - Direct Growth Plan	273,179.260	-	5,000,000	-
Midcap Fund - Direct Growth Plan	519,755.923	-	5,000,000	-
MIP - Direct Growth Plan	113,613.641	-	5,000,000	-
Savings Plus Fund- Direct Growth Plan	228,006.494	-	5,000,000	-
Tax Plan - Direct Growth Plan	59,109.721	-	2,945,000	-
ULIS - Direct - Single Premium 10 Years	346,293.962	-	5,000,000	-
			137,616,518	50,000,000

12 Long-term loans and advances
(Unsecured and considered good)

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Security deposits	728,614	678,914
Other deposits	326,447	326,447
Advance income-tax (net of provision for tax)	267,557,231	263,546,385
Prepaid expenses	1,120,903	932,644
	269,733,195	265,484,390

13 Current investments

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Current investment (Non-trade,unquoted)		
Nil (previous year: 289,849.668) units of LIC Mutual Fund Liquid Fund-Direct - Growth Plan Option	-	734,499,985
	-	734,499,985

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14 Trade receivables

(Unsecured & considered good)

Particulars	Amount in ₹ As at March 31, 2016	2015
Outstanding for a period more than six months:	-	-
Others:		
Management fees receivable	40,572,124	17,884,621
Portfolio management fee receivable	3,226,644	2,704,661
	43,798,768	20,589,282
	43,798,768	20,589,282

15 Cash and bank balances

Particulars	Amount in ₹ As at March 31, 2016	2015
Balances with banks		
In current accounts	252,868,344	1,303,435
Term deposit (with original maturity of less than 3 months)	400,000,000	-
	652,868,344	1,303,435

16 Short-term loans and advances

(Unsecured, considered good unless stated other wise)

Particulars	Amount in ₹ As at March 31, 2016	2015
Advances recoverable in cash or kind	3,832,470	5,451,792
Prepaid expenses	9,379,310	5,959,402
Capital advances	1,200,000	720,000
	14,411,780	12,131,194

17 Revenue from operations

Particulars	Amount in ₹ Year Ended March 31, 2016	2015
Management fees from mutual fund (Gross)	406,670,119	363,013,340
Less: Service tax	49,976,436	39,932,760
Management fees from mutual fund (Net)	356,693,683	323,080,580
Portfolio management fees (Gross)	8,634,586	7,477,121
Less: Service tax	1,075,216	822,510
Portfolio management fees (Net)	7,559,370	6,654,611
Advisory fees	-	15,315,331
	364,253,053	345,050,522

18 Other income

Particulars	Amount in ₹ Year Ended March 31, 2016	2015
Profit on sale of mutual fund units	53,722,386	86,398,380
Profit on sale of fixed assets	444,996	417,179
Interest on Bank deposits	153,425	-
Provisions written back to the extent no longer required	20,648	56,355,223
Other non-operating income	459,626	760,482
	54,801,081	143,931,264

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19 Employees benefit expense

Amount in ₹

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Salaries, allowances and bonus	204,188,226	172,528,846
Staff welfare expenses	2,832,744	10,881,012
Contribution to provident and other funds	11,370,764	8,799,386
Leave encashment	218,611	768,902
Gratuity	7,654,403	5,303,226
	226,264,748	198,281,372

In accordance with Accounting Standard 15 on 'Employees Benefits' (AS-15) as notified under section 133 of the Company Act 2013, read together with paragraph 7 of the Company (Accounts) Rule,2014, the following disclosures have been made:

a) Defined Contribution Plan:

The Company has recognized the following amount in the statement of profit and loss towards contribution to defined contribution plan which are included under contribution to provident and others funds:

Amount in ₹

Company contribution to provident and pension fund	As at March 31, 2016	As at March 31, 2015
Provident fund	11,161,401	8,124,015
Pension fund	209,363	675,371
	11,370,764	8,799,386

b) Defined Benefit Plan:

The following table set out the status of the Gratuity Plan as required under AS-15, Reconciliation of opening and closing balance of the present value of the defined benefit obligation and plan assets:

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
i) Reconciliation of change in present value of the defined benefit obligation		
Balance at the beginning of the year	27,900,366	23,687,757
Interest cost	2,096,006	1,846,198
Current service cost	3,193,349	3,999,442
Benefit paid	(1,849,494)	(2,888,813)
Actuarial (gain) / loss on obligation	2,836,623	1,255,782
Balance at the end of the year	34,176,850	27,900,366
ii) Reconciliation of change in fair value of the plan assets fund		
Balance at the beginning of the year	11,441,110	13,222,714
Adjustment to opening balance	-	423,896
Expected return on plan assets	893,891	1,062,378
Contribution	-	18,079
Benefit paid	(1,849,494)	(2,888,813)
Actuarial gain/(loss) on plan assets	(12,680)	(397,144)
Balance at the end of the year	10,472,827	11,441,110

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Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
iii) Amount to be recognized in the balance sheet		
Present value of obligations at end of the year	34,176,850	27,900,366
Fair value of plan assets at the end of the year	10,472,827	11,441,110
Net liability recognised in the balance sheet	23,704,023	16,459,256
iv) Expenses recognised in the statement of profit and loss account		
Current service cost	3,193,349	3,999,442
Interest cost	2,096,006	1,846,198
Expected return on plan assets	(893,891)	(1,062,378)
Net actuarial (gain)/loss recognised in the year	2,849,303	1,652,926
Expenses to be recognised in the statement of profit and loss account	7,244,767	6,436,188
v) Actuarial (gain)/loss recognised		
Actuarial gain/(loss) on obligation	(2,836,623)	(1,255,782)
Actuarial gain/(loss) on plan assets	(12,680)	(397,144)
Actuarial (gain)/loss recognised in the year	(2,849,303)	(1,652,926)
vi) Actuarial Assumption Per Annum		
Discount rate	7.46%	7.77%
Expected rate of return on plan assets	8.50%	8.70%
Salary escalation	13.00%	10.00%
Retirement age	60 Years	60 Years
Attrition rate:		
Past service 0 to 5 years	12.00%	12.00%
Past service 5 to 25 years	2.00%	2.00%
Past service 25 to 40 years	0.00%	0.00%

vii) Experience adjustments:

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Defined benefit obligation at year end	34,176,850	27,900,366	23,687,757	20,797,492	15,930,511
Plan assets at year end, at fair value	(10,472,827)	(11,441,110)	(13,222,714)	(7,353,905)	(3,277,819)
Surplus/(deficit)	23,704,023	16,459,256	10,465,043	13,443,587	12,652,692

In respect of employees deputed from Life Insurance Corporation of India ("LIC"), gratuity expense is recorded as per terms agreed with LIC. Short term compensated absences are measured at the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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20 Other expenses

Amount in ₹

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Rent	20,237,862	22,557,688
Rates and taxes	3,859,970	5,905,265
Advertising and Publicity	18,943,744	19,017,999
Communication charges	10,247,606	11,995,058
Professional fees	18,390,397	18,669,936
Computer and software expenses	21,303,567	23,260,087
Fund accounting charges	12,743,189	10,142,698
Commission or incentive	27,867,204	157,610,342
Repair and maintenance	8,491,041	7,842,725
Travelling & conveyance	7,327,517	7,302,735
Electricity charges	7,323,905	6,945,836
Printing & stationery	3,417,733	5,730,954
Insurance expenses	841,496	1,488,549
Auditor's Remuneration		
- Statutory audit fees	470,000	470,000
- Other services	159,271	80,000
- Out of Pocket	5,360	37,710
Board meeting expenses	331,375	643,244
Directors sitting fees	360,000	300,000
Legal charges	19,700	67,415
Scheme related expenses (refer note (a) below)	1,889,039	810,176
Other operating expenses	5,361,883	5,480,456
	169,591,859	306,358,873

(a) Scheme related expenses

Expenses incurred for/on behalf of the schemes of mutual fund, in excess of the internal limits of the schemes and cannot be charged to the scheme are charged to the statement of profit and loss.

21 Depreciation & amortization expense

Amount in ₹

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Depreciation of tangible assets	6,562,071	17,129,831
Amortisation of intangible assets	892,306	14,397,069
	7,454,377	31,526,900

22 Leases

Obligation on long term, non-cancellable operating leases

The lease rentals charges during the period and the obligation on long term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Lease rentals recognized during the year	20,237,862	22,557,688
	20,237,862	22,557,688
Lease obligation payable:		
Within one year of the Balance sheet date	21,324,685	20,363,170
Due in a period between one year and five year	44,578,004	47,079,111
Due after five years	18,688,450	3,705,161
	84,591,139	71,147,442

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LIC MUTUAL FUND ASSET MANAGEMENT LIMITED MUMBAI-20

LIC Mutual Fund Asset Management Limited
(Formerly known as LIC Nomura Mutual Fund Asset Management Company Limited)

Notes to Financial Statements for the year ended March 31, 2016

23 Related party disclosures

i) Related parties during the year:

Particulars	Relationship
Life Insurance Corporation of India (LIC)	Associate
LIC Housing Finance Limited *	Associate
Nomura Asset Management Strategic Investment Pte.Ltd.*	Associate
Nomura Asset Management Singapore Limited *	Wholly owned subsidiary of NAM
Nilesh Sathe, Chief Executive Officer (upto 30th June, 2015)	Key Management Personnel (KMP)
Sarojini Dikhale, Chief Executive Officer (w.e.f. 30th June, 2015)	Key Management Personnel (KMP)
Pawan Baheti, Chief Financial Officer	Key Management Personnel (KMP)
Mayank Arora, Company Secretary	Key Management Personnel (KMP)

* No transactions during the year

ii) The related party transaction are as under :

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Life Insurance Corporation of India (LIC)		
Transactions:		
Rent, rates and taxes & electricity charges	26,077,640	26,613,336
Scheme related expenses and other operating expenses	465,697	332,647
Contribution to provident and other funds	974,878	944,598
Gratuity	307,483	906,989
Insurance expenses	174,682	176,922
Receivables and deposits:		
Advances recoverable in cash or kind	541,110	245,068
Nomura Asset Management Singapore Limited		
Transactions:		
Advisory fees	-	15,315,331
Reimbursement of expenses	-	2,002,296
Key Management Personnel (KMP)		
Transactions:		
Remuneration#	8,036,270	3,517,088

\# The above figures do not include liability towards gratuity and leave encashment as separate figure for KMP are not available. Perquisites have been valued in accordance with the provisions contained in the Income Tax Rules,1962.

24 Earnings in Foreign Currency

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Advisory fees receivables	-	15,315,331
	-	15,315,331

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LIC MUTUAL FUND ASSET MANAGEMENT LIMITED MUMBAI-20

25 Contingent liabilities and commitments (to the extent not provided for)

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Contingent liabilities		
Claims against the Company, not acknowledged as debts	389,474,737	389,474,737
Commitments		
Estimated amount of unexecuted capital contracts (net of advance and deposit)	1,200,000	720,000

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demands raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operation.

(a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Company does not expect any demands in respect of the above contingent liabilities due to refunds outstanding for the past assessment years.

26 Post Balance Sheet Event:

Effective April 6, 2016, Nomura Asset Management Strategic Investment Pte Ltd has sold its stake of 35% and thus exited from the venture. Further, LIC Housing Finance Limited has increased its shareholding from 20% to 39.3%, GIC Housing Finance Limited has purchased 11.7% stake and Corporation Bank has acquired 4% stake in the Company. Life Insurance Corporation of India continues to be a sole sponsor of LIC Mutual Fund.

In view of the aforesaid changes in the shareholding of the Company, the name of LIC Nomura Mutual Fund Asset Management Company Limited has changed to 'LIC Mutual Fund Asset Management Limited'.

27 Previous years figures have been regrouped where necessary to conform to current year classification.

Signature to notes 1 to 27 forms part of the financial statements and to the above notes.

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration No.: 101851W

V.V. Barje

Vidya Barje
Partner
Membership No. 104994

For and on behalf of Board of Directors

S K Roy
Chairman
DIN: 02503135

S K Mitra
Director
DIN: 00029961

Pawan Baheti
Chief Financial Officer

SSDikhale

Sarojini Dikhale
Chief Executive Officer

MKArora

Mayank Arora
Company Secretary

Place : Mumbai
Date : 27-06-2016

M. P. CHITALE & CO.
1/11, 1st Floor, Prabhadevi Ind. Estate, Opp. Siddhivinayak Temple, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025
CHARTERED ACCOUNTANTS

LIC MUTUAL FUND ASSET MANAGEMENT LIMITED
MUMBAI-20