LIC MUTUAL FUND ASSET MANAGEMENT LIMITED

ANNUAL REPORT

2023 - 2024

LIC MUTUAL FUND

NOTICE OF ANNUAL GENERAL MEETING TO MEMBERS

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of LIC Mutual Fund Asset Management Limited will be held on Tuesday, July 30, 2024, at 10:30 a.m. (IST) through video conferencing. The venue of the Meeting shall be deemed to be the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2024, and the Balance Sheet as on that date, together with the Cash Flow Statement, Notes, Reports of the Board of Directors and Auditors' Report thereon.

2. To re-appoint Mr. Siddhartha Mohanty (DIN: 08058830), Chairman & Nominee Director who retires by rotation and being eligible, offer himself for re-appointment.

3. To declare final dividend of Rs. 1000/- per equity share of the Company for the Financial Year ended 31st March 2024.

SPECIAL BUSINESS:

4. To consider and approve remuneration of Mr. Ravi Kumar Jha (DIN: 10446712), Managing Director & Chief Executive Officer (CEO) on account of wage revision at LIC of India.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 117, 196, 197, 203 and Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof), the Articles of Association of the Company, any other applicable law for the time being in force, the Nomination and Remuneration Policy of the Company, and pursuant to the approval and recommendation of the Nomination and Remuneration Committee, the Board of Directors, approval of the Shareholders be and is hereby accorded for payment of arrears of wages for the period 01-Aug-2022 to 30-Apr-2024 paid to Mr. Ravi Kumar Jha (DIN: 10446712), Managing Director & CEO of LIC Mutual Fund Asset Management Limited (on-deputation from LIC of India) amounting to Rs.12,85,022/- and Rs.2,67,263/- towards Employer Contribution of PF respectively and revision in maximum annual remuneration, perquisites, , benefits and amenities payable to Mr. Ravi Kumar Jha, Managing Director & CEO of LIC Mutual Fund Asset Management Limited, including Salary, Perquisite, Performance Linked Incentive ("PLI") & Reimbursements with effect from 01st May 2024 upto 30th January 2027 as below:

A. Gross Salary: Rs.60,00,000/-

B. Perquisites: Rs. 9,00,000/-

C. Performance Linked Incentive: As recommended by Nomination and Remuneration Committee and approved by the Board.

D. Special incentive to the extent of 20% of net salary in lieu of deduction on account of paragraph 6.10 of SEBI Master Circular for Mutual Funds dated 27th June 2024 pertaining to Alignment of Interest of Designated Employees of AMCs with the Unitholders of the Mutual Fund Schemes.

E. LTC: Rs.1,50,000/-

F. Reimbursement of Mobile & Landline: Rs.25,000 /-

G. Contribution to Provident Fund & Other Fund: Rs.5,00,000 /-

H. Reimbursement of Fuel Expenses (Mileage): Rs.1,00,000/-

I. Reimbursement of Car Maintenance Expenses (Major Repair): Rs.75,000 /-

J. Rental Car for CEO: Rs. 8,50,000 /-

K. Internet Charges for Residence: Rs. 25,000 /-

Total: Rs. 86,25,000 /-

Note: The maximum proposed remuneration may change based on revision in Dearness Allowance and other variable components.

Benefits and Amenities:

A. Gratuity: Benefits in accordance with the rules and regulations in force in LIC of India from time to time.

B. Leave as per the practices, rules and regulations in force from time to time subject to applicable laws.

C. Loan and Other Schemes: Benefits under loan and other schemes in accordance with the practices, rules and regulations in force from time to time subject to applicable laws.

D. Other benefits and amenities: Such other benefits and amenities as may be provided by the Company to other employees.

E. Reimbursement of costs, charges and expenses: The Company shall pay or reimburse, and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

The remuneration paid to Mr. Ravi Kumar Jha is commensurate with the size of the Company and the profile of the people with respect to the industry the Company operates in.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby severally authorized to sign and file the e- forms, forms, agreements and/or any other documents for the above purpose, as and when required, as per the provisions of the Companies Act, 2013 read with the Rules thereunder, including any statutory modification(s) amendments or re-enactments thereof if any and to do all such acts, deeds and things as may be necessary to give effect to the said resolution."

By Order of the Board of Directors

Sd/-
Mayank Arora
Chief Compliance, Financial Officer & Company Secretary

Registered Office:
LIC Mutual Fund Asset Management Limited
Industrial Assurance Building, 4th Floor,
Opp. Churchgate Station, Mumbai – 400 020.

Place: Mumbai
Date: 5th July 2024

NOTES:

1. Corporate Members are requested to send a duly certified copy of the Board resolution/Authority Letter authorizing their representative to attend and vote at the Annual General Meeting.

2. Members seeking any information relating to the Accounts may write to the Chief Financial Officer at the Company's registered office at Industrial Assurance Building, 4th Floor, Opp. Churchgate Station, Mumbai – 400 020 or send an email at cs.co@licmf.com.

3. All the documents referred to in the Notice shall be available for inspection through electronic mode, basis the request being sent on cs.co@licmf.com.

4. The Ministry of Corporate Affairs ("MCA") has, vide General Circular No. 20/2020 dated 5th May 2020, General Circular No. 02/2021 dated 13th January 2021, General Circular No. 19/2021 dated 08th December 2021, General Circular No. 21/2021 dated 14th December 2021, General Circular No. 02/2022 dated 05th May 2022, General Circular 10/2022 dated 28th December 2022 and General Circular No. 09/2023 dated 25th September 2023 and other circulars as may be applicable (collectively referred as "MCA Circulars"), permitted the companies to conduct Annual General Meeting (AGM) through video conferencing ("VC") or other audio visual means ("OAVM"), subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of the Act, the AGM will be convened and conducted through VC/OAVM within the jurisdiction of ROC, Mumbai.

5. The Company is pleased to inform that AGM of the Company will be held through the Two-way Video Conferencing facility.

   The web-link of the meeting shall be provided separately. To access and participate in the meeting, shareholders and other participating stakeholders will be using the link of the meeting.

   In case of any assistance with regards to using the technology before or during the meeting, please contact Mr. Prashant Thakkar – Chief of Operations & Technology on 9820019388.

6. While all efforts will be made to make the VC / OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may, at times, experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-H or LAN connection can mitigate some of the technical glitches.

7. The proceedings of the meeting shall be recorded and shall be kept in the safe custody of the Company. Such recording shall be made available at the request of the members.

8. The notice of the Annual General Meeting is being sent by electronic mode to the members at e-mail addresses which are available with the Company.

9. The facility for joining the meeting shall be kept open 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after the scheduled time of the meeting.

Pursuant to section 105, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form is not annexed hereto.

10. In conformity with the applicable regulatory requirements including but not limited to the provisions of the MCA Circulars, the Notice of this AGM is being sent only through electronic mode.

11. Since the AGM will be conducted through VC / OAVM facility, the route map is not annexed to this Notice.

12. The Voting at the meeting shall be conducted by show of hands unless a poll in accordance with section 109 of the Companies Act, 2013 is demanded by any member.

13. A copy of Memorandum of Association, Articles of Association, Statutory Registers and all documents referred to in the notice and required as per the Companies Act, 2013 will also be available for electronic inspection without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e. 30th July 2024 during business hours. Members seeking to inspect such document may send a request on the email id cs.co@licmf.com at least 1 working day before the date on which they intend to inspect the document(s).

14. The members can pose questions concurrently at the Meeting or they can submit questions or queries regarding the agenda items on the designated email address through which the notice has been sent.

By Order of the Board of Directors

Sd/-
Mayank Arora
Chief Compliance, Financial Officer & Company Secretary
Membership No: FCS-6899

Registered Office:
LIC Mutual Fund Asset Management Limited
Industrial Assurance Building, 4th Floor,
Opp. Churchgate Station, Mumbai-400 020.

Place: Mumbai
Date: 5th July 2024

STATEMENT SETTING OUT ALL MATERIAL FACTS CONCERNING THE BUSINESS TO BE DEALT AT THE 30th ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2023-2024 AS STATED IN THE NOTICE DATED JULY 05, 2024

[Explanatory statement Pursuant to Section 102 of the Companies Act, 2013]

Item No. 4

The Shareholders are hereby informed that pursuant to the wage revision circular dated 07 May 2024 released by LIC of India, the employees of LIC of India were eligible for wage revision on a retrospective basis, effective 01-Aug-2022.

Accordingly, the gross arrears for the period 01-Aug-2022 to 30-Apr-2024 payable to Mr. Ravi Kumar Jha (DIN: 10446712), Managing Director & CEO of LIC Mutual Fund Asset Management Limited (on-deputation from LIC of India) amounting to Rs.12,85,022/- and Rs.2,67,263/- towards Employer Contribution of PF respectively have been released by the Company in consultation with LIC of India. Further, on account of the wage revision, the annual remuneration of Mr. Ravi Kumar Jha has also been revised w.e.f. 01st May 2024.

Since the remuneration is being paid in excess of the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V, the approval of the Nomination and Remuneration Committee was also received at the meeting dated 28th June 2024. Further, in accordance with Section 196 of the Companies Act, 2013, read with Schedule V, the approval of the Board has also been received at their meeting held on the same day. The details and disclosures required in accordance with Schedule V are mentioned below.

Further, the shareholders had approved to pay remuneration to Mr. R K Jha at their Extra Ordinary General Meeting held on 28th February 2024, for a period of three years, until 30th January 2027. The annual remuneration shall be revised and approved till 30th January 2027 in line with the original resolution passed at the Extra Ordinary General Meeting of the members of the Company held on 28th February 2024.

The Particulars of the information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Companies Act, 2013 are as under:

a) General information:

a) Nature of Industry: Mutual Fund Industry

b) Date or expected date of commencement of Commercial Production: The Company is already in existence since 1994 and operations are in place.

c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA

Industrial Assurance Bldg., 4th Floor, Opp. Churchgate Station, Mumbai – 400 020. | **Board :** +91 22 6601 6000 | **Fax :** +91 22 66016191 | **Web :** www.licmf.com | **Email:** cs.co@licmf.com
CIN : U67190MH1994PLC077858

d) Financial performance based on given indicators for the financial year:

(Rs. In '000)

PARTICULARS	2022-2023	2023-2024
Total Income	6,91,570.59	9,45,969.22
Less: Expense	6,80,734.84	8,36,213.09
Profit / (Loss) Before Income Tax	10,835.75	1,09,756.13
Less: Tax expense	-	-
Net Profit/ (loss) after Tax	**10,835.75**	**1,09,756.13**

e) Foreign investments or collaborations, if any: **NA**

b) **Information about Mr. Ravi Kumar Jha**:

- **Background details:**

Past remuneration: (Based on salary/ remuneration paid to Mr. Ravi Kumar Jha in his capacity as the Managing Director & CEO of the Company for the period January 2024 to May 2024)

Sr. No.	Particulars of Remuneration	Amount
1.	Gross Salary	16,28,968.00
2.	Perquisite	2,88,147.00
Total		19,17,115.00

- **Recognition or awards:** NA

- **Job profile and his suitability:**

Mr. Ravi Kumar Jha has a long and a distinguished career at LIC of India wherein he served LIC of India in different capacities. He has more than 30 years of rich experience in handling Corporate Strategy, Marketing, Investment Operations etc. He joined LIC Mutual Fund Asset Management Limited in May 2019 as Chief Marketing Officer for the period May 2019 to April 2021.

His last designation at LIC Mutual Fund Asset Management Limited was Executive Director - Corporate Strategy from April 2023 to December 2023.

Further, he was also appointed as a Director of the Company in January 2024 and the Managing Director & CEO of the Company for a term of five years with effect from 31st January 2024.

- **Remuneration proposed**

Arrears of wages paid due to Wage revision for LIC of India employees with effect from 01st August 2022 to 30th April 2024: Rs.12,85,022/- and Rs.2,67,263/- towards Employer Contribution of PF respectively.

The maximum revised Annual Remuneration including Salary, Perquisite, Performance Linked Incentive ("PLI") & Reimbursements are as follows:

A. **Gross Salary: Rs.60,00,000/-**

B. **Perquisites: Rs. 9,00,000/-**

C. **Performance Linked Incentive: As recommended by Nomination and Remuneration Committee and approved by the Board.**

D. **Special incentive to the extent of 20% of net salary in lieu of deduction on account of paragraph 6.10 of SEBI Master Circular for Mutual Funds dated 27th June 2024 pertaining to Alignment of Interest of Designated Employees of AMCs with the Unitholders of the Mutual Fund Schemes**

E. **LTC: Rs.1,50,000/-**

F. **Reimbursement of Mobile & Landline: Rs.25,000 /-**

G. **Contribution to Provident Fund & Other Fund: Rs.5,00,000 /-**

H. **Reimbursement of Fuel Expenses (Mileage): Rs.1,00,000/-**

I. **Reimbursement of Car Maintenance Expenses (Major Repair): Rs.75,000 /-**

J. **Rental Car for CEO: Rs. 8,50,000 /-**

K. **Internet Charges for Residence: Rs. 25,000 /-**

Total: Rs. 86,25,000 /-

Note: The maximum proposed annual remuneration may change based on revision in Dearness Allowance and other variable components.

Benefits and Amenities:

A. Gratuity: Benefits in accordance with the rules and regulations in force in LIC of India from time to time.

B. Leave as per the practices, rules and regulations in force from time to time subject to applicable laws.

C. Loan and Other Schemes: Benefits under loan and other schemes in accordance with the practices, rules and regulations in force from time to time subject to applicable laws.

D. Other benefits and amenities: Such other benefits and amenities as may be provided by the Company to other employees.

E. Reimbursement of costs, charges and expenses: The Company shall pay or reimburse, and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

- **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

  The remuneration paid to Mr. Ravi Kumar Jha is commensurate with the size of the Company and the profile of the people with respect to the industry the Company operates in.

- **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:**

  Mr. Ravi Kumar Jha is not directly or indirectly related with any managerial personnel or Director of the Company.

c) <u>Other information</u>:

- **Reasons of loss or inadequate profits:**

  The Company operates its business in highly competitive and regulated Industry. The Company is the Investment Managers to LIC Mutual Fund. LIC Mutual Fund historically was perceived to be a Debt schemes focused fund house wherein the majority of the Asset under Management ("AUM") was skewed towards Debt Funds wherein the Management Fees which was the revenue for the Company was comparatively lesser in comparison to Equity Funds.

Industrial Assurance Bldg., 4th Floor, Opp. Churchgate Station, Mumbai – 400 020. | **Board :** +91 22 6601 6000 | **Web :** www.licmf.com
Fax : +91 22 66016191 | **Email:** cs.co@licmf.com
CIN : U67190MH1994PLC077858

- **Steps taken or proposed to be taken for improvement & Expected increase in productivity and profits in measurable terms:**

  Continuous efforts are being undertaken to improve the Equity Schemes AUM and focus is to attract Equity AUM through Systematic Investment Plans (SIPs). Equity AUM accounts for higher Management fees for the Company. Recently, LIC Mutual Fund Asset Management Limited has completed the Takeover/ Merger of Schemes of IDBI Mutual Fund with LIC Mutual Fund. The said Merger/ Takeover has contributed towards the overall growth in AUM of the Schemes which in turn will contribute to overall profitability of the Company.

- **Expected increase in productivity and profits in measurable terms:**

  The Company expects to increase its productivity and profits in the future. The Profit and Loss Statement would show better numbers in the upcoming financial years. The Board of Directors are of the opinion that the approval of remuneration of Mr. Ravi Kumar Jha is in the best interest of the Company.

  The Board recommends the resolution set out in Item No. 4 for approval of the members as a special resolution. Other than Mr. Ravi Kumar Jha and his relatives, none of the other Directors, Key Managerial Personnel or their relatives is interested or concerned in the proposed Resolution as Item No. 4 of this Notice.

By Order of the Board of Directors

Sd/-
Mayank Arora
Chief Compliance, Financial Officer & Company Secretary
Membership No: FCS-6899

Registered Office:
LIC Mutual Fund Asset Management Limited
Industrial Assurance Building, 4th Floor,
Opp. Churchgate Station, Mumbai-400 020.

ANNEXURE – I

Disclosures required under Secretarial Standards – 2 on general meeting pertaining to Item No. 2

Sr. No.	Particulars	Details
1	Name of Director	Mr. Siddhartha Mohanty
2	DIN	08058830
3	Type	Chairman and Nominee Director
4	Date of Birth	08/06/1963
5	Age	61 years
6	Qualification	MA, LLB, Post Graduate Certificate in Business Management, Licentiate
7	No. of Equity Shares held in the Company	NIL
8	Experience	More than three and a half decades of experience at LIC of India in different capacities and streams.
9	Terms and Conditions	As per the terms and conditions of appointment
10	Date of first appointment	13th April 2023
11	Number of Board Meetings attended during the year	5
12	Directorships held in other Companies	• Life Insurance Corporation of India – Chairperson • LIC Golden Jubilee Fund, Chairman • LIC Housing Finance Limited – Non-Executive Director & Chairman • LIC Cards Services Limited – Director & Chairperson • LIC Pension Fund Limited – Director & Chairman • Larsen & Toubro Limited-Director • LIC (Lanka) Ltd- Director & Chairman • LIC Singapore Pte Limited – Director & Chairman • Kenindia Assurance Co. Limited, Director • LIC International B.S.C (c) Bahrain, Director & Chairman • LIC (Nepal) Limited- Director & Chairman

Sr. No.	Particulars	Details
13	Particulars of Committee Chairmanship/Membership held in other Companies (including this company)	1. **LIFE INSURANCE CORPORATION OF INDIA** • Executive Committee- Chairperson • Investment Committee- Chairperson • With Profit Committee- Chairperson • Election of Shareholders Directors Committee in PSBs • Building Advisory Committee • Review Committee on Wilful Defaulter • Nomination and Remuneration Committee-Member 2. **Larsen & Toubro** Stakeholder's Relationship Committee 3. **Kenindia Assurance Co. Limited** Executive Committee

DIRECTORS REPORT

LIC MUTUAL FUND ASSET MANAGEMENT LIMITED

FOR THE FINANCIAL YEAR 2023-24

NAMES OF PAST AND PRESENT DIRECTORS OF THE COMPANY WITH DIRECTOR IDENTIFICATION NUMBERS (DIN)[1]

Mr. Siddhartha Mohanty	(DIN: 08058830)
Mr. Paul Lobo	(DIN: 09787223)
Mr. Sanjay Muthal	(DIN: 06714024)
Mr. Vijay Sharma	(DIN: 07028178)
Mr. Raghunandan Maluste	(DIN: 01302477)
Ms. Reema Diddee	(DIN: 01604113)
Mr. Praveen Garg	(DIN: 00208604)
Mr. Ravi Kumar Jha	(DIN: 10446712)
Mr. Tribhuwan Adhikari	(DIN: 10229197)
Mr. K.K. Bang	(DIN: 09133433) (Ceased to be a director w.e.f. 25/04/2023)
Mr. Tritala Subramanian Ramakrishnan	(DIN: 09515616) (Ceased to be a director w.e.f. 28/12/2023)
Mr. Satish Kamat	(DIN: 01536698) (Ceased to be a director w.e.f. 29/08/2023)
Mr. Viswanatha Yerur Gowd	(DIN: 09048488) (Ceased to be a director w.e.f. 31/07/2023)

[1] The above disclosure has been given in accordance with Section 158 of Companies Act 2013, and reference of any of the above directors made in this document be read along with the above disclosure of their respective Director Identification Numbers

Directors' Report

To,
The Members,
LIC Mutual Fund Asset Management Limited

The Directors of the Company hereby present their 30th Annual Report on the business and operations of LIC Mutual Fund Asset Management Limited together with audited financial statements for the financial year ended 31st March 2024.

1. Financial Performance:

The financial statements of the Company for the year ended 31st March 2024 have been prepared under the historical cost convention, in accordance with Indian Accounting Standards and the provisions of the Companies Act, 2013 and the rules made thereunder. The financial highlights of the Company for the year ended 31st March 2024 are as follows:

(Amount in Rs. crore)

Particulars	**Year ended**	
	Mar-24	**Mar-23**
Revenue from Operation	82.46	59.88
Net gain on fair value changes	11.20	3.62
Other income	0.93	5.66
Total Income	**94.60**	**69.16**
Less: Total Expenditure	**83.62**	**68.07**
Profit / (Loss) before tax	**10.98**	**1.08**
Less: Tax Expenses	-	-
Add: Tax provision write back pertaining to prior year	-	-
Add: MAT credit entitlement	-	-
Profit / (Loss) After Tax	**10.98**	**1.08**
Re-measurement gain/ (loss) on defined benefit plans	(0.84)	0.14
Effect of measuring investment at fair value	-	-
Total Comprehensive Income for the year	**10.13**	**1.22**
Add: Surplus/ (Deficit) brought forward	(18.80)	(18.92)
Less: Dividend paid during the year	(1.10)	(1.10)
Balance carried forward	(9.77)	(18.80)

Our Company had reported total revenue from operations of Rs. 82.46 Cr for the current financial year against Rs. 59.88 Cr earned in previous year. The revenue from operation includes Investment Management fees of Rs. 81.75 Cr. and Portfolio Management Fees of Rs. 0.70 Cr. Other income including investment income amounted to Rs. 12.13 Crores (previous year Rs.9.28 Cr).

The Company had incurred total expense of Rs. 83.62 Cr in current year compared to Rs 68.07 Cr in the previous year. The total comprehensive income for the current year is Rs. 10.13 Cr vis-à-vis Rs 1.22 Cr in the previous year.

2. Operational Highlights

The Company acts as the asset manager to LIC Mutual Fund. The Year on Year (YoY) growth in terms of AAUM category for schemes of LIC Mutual Fund is tabled below:

Rs.in Crores

Fund Category	Financial Year 2023-24 (AAUM)	Financial Year 2022-23 (AAUM)	Growth (%)
	11175.00	7594.59	47.14
Debt	13609.62	10116.65	34.53
Total AAUM	**24,784.62**	**17711.24**	**39.94**

The total number of folios as at the end of the financial year 31st March 2024 stood at 824701 as against 580842 at the end of the last financial year.

The Company has completed the transfer of schemes of IDBI Mutual Fund to LIC Mutual Fund on 29th July 2023 pursuant to the terms of the scheme transfer agreement dated 29th December 2022.

Portfolio Management Services (PMS):

During the financial year the Company has wound up the PMS business and surrendered the registration certificate to SEBI.

3. Dividend:

Keeping in mind the overall performance and the outlook for our Company, our directors are pleased to recommend a dividend of Rs.1000 per share i.e. 10% on each Equity share having Face Value of Rs.10,000/- out of the current year's profit. In the last financial year 2022-2023, the Company had declared a dividend of Rs.1000 per share i.e. 10% on each Equity share having Face Value of Rs. 10,000/-

4. Unpaid Dividend and IEPF:

The Company has not transferred any amount to the Investor Education & Protection Fund (IEPF) and no amount is lying in Unpaid Dividend A/c of the Company.

5. Capital Infusion :

On account of takeover of Schemes of IDBI mutual fund, Equity capital was raised through rights issue from existing shareholders.

Pursuant to the terms of the scheme of takeover/merger of IDBI Mutual Fund with LIC Mutual Fund, the Company had to pay an amount of Rs. 55,00,00,000/- (Fifty-Five Crore Only) in Cash as part consideration for the aforesaid transaction. As per the terms and conditions decided at the time of approval of the aforesaid transaction, it was decided that the amount in cash shall be raised from all existing shareholders by issuing equity shares on a rights basis. Accordingly, the Company had issued and allotted 2,125 equity shares of Rs. 10,000 each at a premium of Rs. 2,48,851 per share by way of rights issue on 07th September 2023.

Out of these 2,125 equity shares, 956 Equity Shares were allotted to Life Insurance Corporation of India, 835 Equity Shares were allotted to LIC Housing Finance Limited, 249 Equity Shares were allotted to GIC Housing Finance Limited and 85 Equity Shares were allotted to Union Bank of India.

Further, in accordance with the terms of scheme of takeover/ merger of the mutual fund schemes of IDBI Mutual Fund with LIC Mutual Fund , equity shares were required to be allotted to IDBI AMC for part consideration (consideration other than cash) by way of preferential issue. LIC Mutual Fund Asset Management Limited had approved the issue of 1,306 Equity Shares to IDBI AMC at a price of Rs. 2,58,851/- (Face value (FV) of Rs 10,000 and share premium of Rs. 2,48,851) on a Private Placement basis at its general meeting held on 06th December 2023 and the same were allotted on 11th December 2023.

Private Placement to LIC of India

During the current financial year, the Company has allotted 959 equity shares of Rs. 10,000 each at a premium of Rs. 2,50,618 per share by way of private placement to Life Insurance Corporation of India for cash. The allotment was approved by the shareholders in its Extra Ordinary General Meeting held on 28th February 2024 and allotment for the same was made on 6th March 2024.

The said private placement was made to comply with the requirements specified under SEBI (Mutual Funds) Regulations, 1996 and clarifications issued there under wherein it is stated that Minimum Networth for Mutual Fund business to be deployed in Liquid Assets.

Pursuant to the aforesaid capital infusion, the capital structure of the Company as at the end of the financial year 2023-24 is as follows:

Name of Shareholder	**Shares held as on 31st March 2024**	**2023**
LIC of India	6,858	4,943
LIC Housing Finance Limited	5,158	4,323
GIC Housing Finance Limited	1,536	1,287
Union Bank Of India	525	440

LIC Mutual Fund Asset Management Ltd.
Investment Managers to LIC Mutual Fund

Industrial Assurance Bldg., 4th Floor, Opp. Churchgate Station, Mumbai – 400 020.
CIN : U67190MH1994PLC077858
Board : +91 22 6601 6000
Fax : +91 22 66016191
Web : www.licmf.com
Email: cs.co@licmf.com

Mr. Salil Vishwanath*	1	1
Mr. Anirban Sarkar*	1	1
Mr. Jagat Singh Indra Singh Tolia*	1	1
Ms. Pratibha Singh*	1	1
Mr. Ratnakar Patnaik*	1	1
Ms. Geeta Prabhakaran*	1	1
Ms. Bhargavi Ganesh*	1	1
IDBI Asset Management Limited	1,306	NIL
Total	**15,390**	**11,000**

*Nominee Shareholders on behalf of LIC of India

6. Transfer to Reserves

During the year ended March 31, 2024, the Company made a profit of Rs 10.13 cr. The Company does not propose to transfer any amount to Reserves.

7. Material changes and commitments, if any, affecting the financial position of the company under Section 134(3)(I) of the Companies Act, 2013:

Except as disclosed elsewhere in this report, no material changes or commitments have occurred between the end of the financial year and date of the Board report which would affect the financial position of the Company.

8. Details of Significant and Material Orders Passed by The Regulators:

During the year 2023-2024, no penalties or strictures and material orders which have a significant impact have been imposed or passed by the Regulators or Courts or Tribunals or any Statutory Authority on any matter during the year which have an impact on the going concern status and company's operations in future.

9. Internal Financial Controls:

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors of the Company report to the Audit Committee of the Board.

The internal control system monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls, significant audit observations, if any and corrective actions thereon are presented to the Audit Committee of the Board.

10. Report on Performance of Subsidiaries, Associates and Joint Venture Companies:

The Company does not have any Subsidiary, Associates and Joint Venture.

11. Deposits:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

12. Loan from Directors:

The Company has not borrowed any amount from any Directors of the Company.

13. Auditors of the Company - Statutory:

In accordance with the applicable provisions of law, the Company has appointed a Statutory Auditor, who periodically submits their reports and the same are placed before the Audit Committee for discussion, review and implementation of their recommendations.

14. Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. V.C. Shah & Co., Chartered Accountants (FRN: 109818W), have been appointed as Statutory Auditors, for a period of 5 years, in the Twenty-Sixth Annual General Meeting of the Company held in the year 2020, to hold office till the conclusion of 31st Annual General Meeting to be held in the year 2025.

15. Observations of Statutory Auditors on Accounts for the year ended 31st March 2024:

There were no adverse observations by the Statutory Auditors in their report. The comments / disclaimers made by the Statutory Auditors in their report for the financial year ended 31st March 2024 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

16. Reporting of frauds by Statutory Auditors under Section 143(12):

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

17. Annual Return:

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31st March 2024 is available on Company's website at: https://www.licmf.com/addendum-notice

18. Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Conservation of Energy & Technology Absorption

Since the Company does not own any manufacturing facility, hence the disclosure under this head is not applicable. Further, other requirements pursuant to Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption are also not applicable.

Foreign Exchange Earnings and Outgo

For the purpose of Rule 8 of the Companies (Accounts) Rules, 2014, Foreign Exchange Earnings and Outgo during the financial year ended March 31, 2024, is Nil.

19. Maintenance of Cost Records:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

20. Corporate Social Responsibility (CSR):

The provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility spending were not applicable to the Company during the year under review. However, the same have become applicable to the Company after the period under review. The Company is in the process of doing necessary compliances for the same.

21. Annual evaluation of Directors, Committee and Board:

The Board has carried out an annual performance evaluation of its own performance, and of the Directors individually, as well as the evaluation of the Committees of the Board.

The Board has adopted a formal evaluation mechanism for evaluating its performance as well as that of its committees and individual Directors. The exercise was carried out by feedback survey from each Director covering Board functioning such as composition of Board and its Committees, experience and competencies, governance issues etc. A separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as attendance, contribution at the meeting etc.

22. **Matters related to Board of Directors and Key Managerial Personnel:**

Changes in Directors and Key Managerial Personnel

The details about changes in the Board of Directors and Key Managerial Personnel have been given in the table below:

Name	Designation	Date of Appointment/Change in Designation	Date of Cessation
Mr. Praveen Garg	Additional Independent Director	06/04/2023	--
Mr. Siddhartha Mohanty	Nominee Director	13/04/2023	--
Mr. Kailash Kumar Bang	Independent Director	--	25/04/2023
*Mr. Praveen Garg	Independent Director	28/07/2023	--
**Mr. Viswanatha Yerur Gowd	Nominee Director	--	31/07/2023
Mr. Satish Keshav Kamat	Independent Director	--	29/08/2023
Mr. Tribhuwan Adhikari	Additional Nominee Director	06/09/2023	--
Ms. Reema Diddee	Additional Independent Director	20/10/2023	--
***Mr. Tribhuwan Adhikari	Nominee Director	06/12/2023	--
[$]Tritala Subramanian Ramakrishnan	Managing Director & CEO	--	28/12/2023
Mr. R.K. Jha	Additional Director	04/01/2024	--
[#]Mr. R.K. Jha	Managing Director & CEO	31/01/2024 & 28/02/2024	--
[##]Ms. Reema Diddee	Independent Director	28/02/2024	--

*Mr. Praveen Garg appointed as an Additional Independent Director on April 06, 2023, was regularised at the Annual General Meeting of the Company dated 28th July 2023.

**Mr. Viswanatha Yerur Gowd, Nominee Director of the Company had resigned from the Board w.e.f. the close of business hours of 31st July 2023 on account of his superannuation from LIC of India.

*** Mr. Tribhuwan Adhikari was appointed as an Additional Nominee Director on the Board of AMC and his appointment was regularised by shareholders at the EGM held on 06th December 2023.

$ Tritala Subramanian Ramakrishnan, Managing Director & Chief Executive Officer ("CEO") of the Company had resigned from the Board of AMC as Director and CEO w.e.f. 28th December 2023 on attaining the age of superannuation

#Mr. R.K. Jha appointed as Managing Director & CEO on January 31, 2024, subject to approval of Shareholders for a term of five years with effect from 31st January 2024. The Shareholders had approved his appointment at the Extra-ordinary General Meeting of the Company held on 28th February 2024.

##Ms. Reema Diddee was appointed as Additional Independent Director on October 20, 2023, and her appointment was regularised at Extra-ordinary General Meeting of the Company dated 28th February 2024.

Retirement by rotation

Mr. Siddhartha Mohanty (DIN: 08058830) is considered to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment pursuant to provision of Section 152(6) of the Companies Act, 2013. The Board recommends his re-appointment at the ensuing Annual General Meeting.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149 (6).

During the year under review, Mr. Praveen Garg was appointed as an Additional Independent Director on April 06, 2023, for a term of five years, and was regularised at the Annual General Meeting of the Company dated 28th July 2023.

Further, Ms. Reema Diddee appointed as Additional Independent Director on October 20, 2023 for a term of five year and her appointment was regularised as Extra-ordinary General Meeting of the Company dated 28th February 2024.

Further, as mentioned above, Mr. Satish Kamat and Mr. K K Bang ceased to be the Independent Directors of the AMC on account of completion of their tenure.

The company has received the declarations as specified under Section 149 (6) of the Act.

In the opinion of the Board, the Independent Directors possess the requisite integrity, expertise, experience and proficiency (including registration in Independent Director's Databank and clearing of examination, if applicable)

Corporate Governance

During the financial year 2023-24, the Company has paid remuneration to Mr. T.S. Ramakrishnan, Managing Director (MD) and Chief Executive Officer (CEO) of the Company. Thereafter, Mr. T.S. Ramakrishnan resigned from his position on December 28, 2023, on account of superannuation.

Further, Mr. R.K. Jha was appointed as Managing Director & CEO for a term of five years on January 31, 2024, and his appointment was regularised at the Extra-ordinary General Meeting of the Company dated 28th February 2024.

The Details pursuant to Section II, Schedule V of the Companies Act, 2013.

Mr. T.S. Ramakrishnan	
Particulars	**Details**
All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	Rs. 50,45,816.66
Details of fixed component and performance linked incentives (PLI) along with the performance criteria	Rs. 16,77,472
Service contracts, notice period, severance fees	Nil
Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Nil
Mr. R.K. Jha*	
Particulars	**Details**
All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	Rs. 59,56,119.00
Details of fixed component and performance linked incentives (PLI) along with the performance criteria	Nil
Service contracts, notice period, severance fees	Nil
Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Nil

*Pursuant to wage revision circular released by LIC of India dated 07th May 2024 announcing revision of wages w.e.f. 1st August 2022, the necessary resolution for approval of revised remuneration including arrears of wages paid to Mr. R K Jha has been proposed to be approved at the Annual General Meeting.

23. **Board & its Committees details:**

Board Meeting:

During the year under review, (Five) 5 meetings of the Board of Directors of the Company were held in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The details of the same are as mentioned under: -

Sr. No	Date of meeting	Names of Directors as on the date of meeting	Directors Present	Leave of Absence
1	21/04/2023	Mr. Siddhartha Mohanty Mr. Viswanatha Yerur Gowd Mr. Satish K. Kamat Mr. K.K. Bang Mr. Sanjay Muthal Mr. Vijay Sharma Mr. Raghunandan Maluste Mr. Paul Lobo Mr. Praveen Garg Mr. T.S. Ramakrishnan	Mr. Siddhartha Mohanty Mr. Viswanatha Yerur Gowd Mr. Satish K. Kamat Mr. K.K. Bang Mr. Sanjay Muthal Mr. Vijay Sharma Mr. Raghunandan Maluste Mr. Paul Lobo Mr. Praveen Garg Mr. T.S. Ramakrishnan	--
2	20/06/2023	Mr. Siddhartha Mohanty Mr. Viswanatha Yerur Gowd Mr. Satish K. Kamat Mr. Sanjay Muthal Mr. Vijay Sharma Mr. Raghunandan Maluste Mr. Paul Lobo Mr. Praveen Garg Mr. T.S. Ramakrishnan	Mr. Siddhartha Mohanty Mr. Viswanatha Yerur Gowd Mr. Satish K. Kamat Mr. Sanjay Muthal Mr. Vijay Sharma Mr. Raghunandan Maluste Mr. Paul Lobo Mr. Praveen Garg Mr. T.S. Ramakrishnan	--
3	30/08/2023	Mr. Siddhartha Mohanty Mr. Sanjay Muthal Mr. Vijay Sharma Mr. Raghunandan Maluste Mr. Paul Lobo Mr. Praveen Garg Mr. T.S. Ramakrishnan	Mr. Siddhartha Mohanty Mr. Sanjay Muthal Mr. Vijay Sharma Mr. Raghunandan Maluste Mr. Paul Lobo Mr. Praveen Garg Mr. T.S. Ramakrishnan	--
4	30/10/2023	Mr. Siddhartha Mohanty Mr. Sanjay Muthal Mr. Vijay Sharma Mr. Raghunandan Maluste Mr. Paul Lobo Mr. Praveen Garg Mr. T.S. Ramakrishnan Mr. Tribhuwan Adhikari Ms. Reema Diddee	Mr. Siddhartha Mohanty Mr. Sanjay Muthal Mr. Vijay Sharma Mr. Paul Lobo Mr. Praveen Garg Mr. T.S. Ramakrishnan Mr. Tribhuwan Adhikari Ms. Reema Diddee	Mr. Raghunandan Maluste
5	30/01/2024	Mr. Siddhartha Mohanty Mr. Sanjay Muthal	Mr. Siddhartha Mohanty Mr. Vijay Sharma	Mr. Sanjay Muthal

		Mr. Vijay Sharma Mr. Raghunandan Maluste Mr. Paul Lobo Mr. Praveen Garg Mr. Tribhuwan Adhikari Ms. Reema Diddee Mr. R.K. Jha	Mr. Raghunandan Maluste Mr. Praveen Garg Ms. Reema Diddee Mr. R.K. Jha	Mr. Paul Lobo Mr. Tribhuwan Adhikari

Audit Committee:

The Audit Committee was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 and in accordance with the requirement of circulars released for AMCs of Mutual Funds. Further, the composition of the Audit Committee is in conformity with the provisions of the said section and in accordance with the provisions of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 as well as Section 177 of the Companies Act, 2013.

The Audit Committee as on 31st March 2024 comprised of:

Mr. Praveen Garg	Non-Executive Independent Director- Chairman
Mr. Vijay Sharma	Non-Executive Independent Director- Member
Mr. Paul Lobo	Nominee Director- Member

During the year, (Five) 5 meetings of the Audit committee were held. The details of the same are as mentioned under: -

Sr. No	Date of meeting	Names of Members as on the date of meeting	Members Present	Leave of Absence
1	20/04/2023	Mr. Kailash K Bang Mr. Satish K Kamat Mr. Y. Viswanatha Gowd	Mr. Kailash K Bang Mr. Satish K Kamat Mr. Y. Viswanatha Gowd	--
2	19/06/2023	Mr. Satish K Kamat Mr. Y. Viswanatha Gowd Mr. Praveen Garg	Mr. Satish K Kamat Mr. Praveen Garg	Mr. Y. Viswanatha Gowd
3	29/08/2023	Mr. Satish K Kamat Mr. Praveen Garg Mr. Paul Lobo	Mr. Satish K Kamat Mr. Praveen Garg Mr. Paul Lobo	--
4	27/10/2023	Mr. Praveen Garg Mr. Paul Lobo Mr. Vijay Sharma	Mr. Praveen Garg Mr. Paul Lobo Mr. Vijay Sharma	--
5	29/01/2024	Mr. Praveen Garg Mr. Paul Lobo Mr. Vijay Sharma	Mr. Praveen Garg Mr. Vijay Sharma	Mr. Paul Lobo

Further, during the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act. The composition of the Committee is as under:

The Nomination and Remuneration Committee as on 31st March 2024 comprised of:

Mr. Sanjay Muthal	Independent Director - Chairman
Mr. Raghunandan Maluste	Independent Director - Member
Mr. Paul Lobo	Nominee Director- Member

During the year, (Four) 4 meetings of Nomination and Remuneration Committee were held. The details of the same are as mentioned under: -

Sr. No	Date of meeting	Names of Members as on the date of meeting	Members Present	Leave of Absence
1	20/04/2023	Mr. Sanjay Muthal Mr. Kailash Kumar Bang Mr. Satish K. Kamat	Mr. Sanjay Muthal Mr. Kailash Kumar Bang Mr. Satish K. Kamat	--
2	19/06/2023	Mr. Sanjay Muthal Mr. Satish K. Kamat Mr. Raghunandan Maluste	Mr. Sanjay Muthal Mr. Satish K. Kamat Mr. Raghunandan Maluste	--
3	30/10/2023	Mr. Sanjay Muthal Mr. Raghunandan Maluste Mr. Paul Lobo	Mr. Sanjay Muthal Mr. Raghunandan Maluste	Mr. Paul Lobo
4	25/01/2024	Mr. Sanjay Muthal Mr. Raghunandan Maluste Mr. Paul Lobo	Mr. Sanjay Muthal Mr. Paul Lobo	Mr. Raghunandan Maluste

The Nomination and Remuneration policy has been annexed as Annexure II and has also been placed on the website of the Company at https://www.licmf.com/.

Risk Management Committee:

In line with the requirements specified under SEBI (Mutual Funds) Regulations and circulars issued thereunder the Company has constituted Risk Management Committee. The Management of the Asset Management Company and the Risk Management Committee ensures implementation of various Risk Management practices in the Company with respect to Mutual Fund operations in line with the requirements specified by SEBI from time to time. The Board of Directors has also appointed a reputed Chartered Accountants firm as the Internal Auditors for Mutual Fund operations. The Internal Auditor for Mutual Fund operations also review the adequacy of Risk Management systems and report the same in their Internal Audit Report.

The Risk Management Committee as on 31st March 2024 comprised of:

Mr. Sanjay Muthal	Independent Director - Chairman
Mr. Raghunandan Maluste	Independent Director - Member
Mr. Ravi Kumar Jha	Managing Director & CEO - Member

During the year, (Five) 5 meetings of the Board level Risk Management Committee were held. The details of the same are as mentioned under: -

Sr. No	Date of meeting	Names of Members as on the date of meeting	Members Present	Leave of Absence
1	20/04/2023	Mr. Sanjay Muthal Mr. Satish K. Kamat Mr. T.S. Ramakrishnan	Mr. Sanjay Muthal Mr. Satish K. Kamat Mr. T.S. Ramakrishnan	--
2	19/06/2023	Mr. Sanjay Muthal Mr. Satish K. Kamat Mr. T.S. Ramakrishnan	Mr. Sanjay Muthal Mr. Satish K. Kamat Mr. T.S. Ramakrishnan	--
3	29/09/2023	Mr. Sanjay Muthal Mr. T.S. Ramakrishnan Mr. Raghunandan Maluste	Mr. Sanjay Muthal Mr. T.S. Ramakrishnan Mr. Raghunandan Maluste	--
4	27/10/2023	Mr. Sanjay Muthal Mr. T.S. Ramakrishnan Mr. Raghunandan Maluste	Mr. Sanjay Muthal Mr. T.S. Ramakrishnan Mr. Raghunandan Maluste	--
5	13/02/2024	Mr. Sanjay Muthal Mr. Raghunandan Maluste Mr. Ravi Kumar Jha	Mr. Sanjay Muthal Mr. Raghunandan Maluste Mr. Ravi Kumar Jha	--

Unitholders Protection Committee

In line with the requirements specified under SEBI (Mutual Funds) Regulations and circulars issued thereunder the Company has constituted Unitholders Protection Committee.

The composition of the Committee as on 31st March 2024 is as under:

Mr. Praveen Garg	Independent Director – Chairman
Ms. Reema Diddee	Independent Director – Member
Mr. R.K. Jha	Managing Director & CEO – Member

During the year, 1 meeting of Unitholders Protection Committee was held. The details of the same are as mentioned under: -

Sr. No	Date of meeting	Names of Members as on the date of meeting	Members Present	Leave of Absence
1	29/01/2024	Mr. Praveen Garg Ms. Reema Diddee Mr. R.K. Jha	Mr. Praveen Garg Ms. Reema Diddee Mr. R.K. Jha	--

Executive Committee:

The composition of the Committee as on 31st March 2024 is as under:

Mr. R.K. Jha	Managing Director & CEO - Chairman
Mr. Tribhuwan Adhikari	Nominee Director – Member
Mr. Paul Lobo	Nominee Director- Member

During the year, (Nil) 0 meetings of Executive committee were held.

The Company has complied with the applicable Secretarial Standards in respect of all its meetings.

24. Related Party Transaction

All related party transactions entered into during the financial year with related party(ies) as defined under the provisions of Section 2(76) were on an arm's length basis and were in the ordinary course of business. The details of the Related Party Transactions undertaken during the financial year ended 31st March 2024, are annexed as **Annexure I.**

25. Particulars of loans, guarantees, securities or investments under Section 186:

The Company has not made any loans, guarantees covered under section 186 of the Act.

Full particulars of investments covered under Section 186 of the Companies Act 2013 provided during the financial year under review has been furnished in Note 6 of the Notes to Accounts which forms part of the financials of the Company.

26. Managerial Remuneration:

The disclosures of details of top 10 employees in receipt of remuneration pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company.

27. Disclosure regarding Internal Complaints Committee:

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-2024:

a) Number of complaints of sexual harassment received during the year –: 1
b) Number of complaints disposed off during the year –: 1
c) Number of cases pending for more than 90 days –: Nil

28. Directors' Responsibility Statement:

As per the requirement of Sub Section (5) of Section 134 of the Companies Act, 2013, the Directors confirm that-

a) In the preparation of the annual accounts, for the financial year ended March 31, 2024, the applicable accounting standards had been followed and that there are no material departures.

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for the year under review.

c) The Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors had prepared the annual accounts on a going concern basis.

e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Other Disclosures

a) <u>Disclosure Under Section 43(a)(ii) of the Companies Act, 2013:</u>

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

b) <u>Disclosure Under Section 54(1)(d) of the Companies Act, 2013:</u>

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

c) <u>Disclosure Under Section 62(1)(b) of the Companies Act, 2013:</u>

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

d) Disclosure Under Section 67(3) of the Companies Act, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

e) Disclosure of Proceedings pending, or application made under Insolvency and Bankruptcy Code, 2016:

No application was filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the Insolvency and Bankruptcy Code, 2016 ("IBC") before the NCLT.

f) Disclosure of reason for difference between valuation done at the time of taking loan from Bank and at the time of one-time settlement:

There was no instance of onetime settlement with any Bank or Financial Institution.

30. Acknowledgements:

The Directors thank the Company's employees, customers, vendors, investors and financial institutions for their continuous support.

The Directors also place on record their appreciation of the tireless efforts of Team LIC Mutual Fund, a dedicated and loyal band of people who have displayed unswerving commitment to their work in these challenging times.

For and on behalf of Board of Directors

SD/- **Mr. R. K. Jha** **(DIN: 10446712)** **Managing Director and Chief Executive Officer** **Address:** Industrial Assurance Building, 4th Floor, Opp. Churchgate Station, Mumbai – 400 020	**SD/-** **Mr. Praveen Garg** **(DIN: 00208604)** **Director** **Address:** Industrial Assurance Building, 4th Floor, Opp. Churchgate Station, Mumbai – 400 020

Place: Mumbai
Date: 28th June 2024

ANNEXURE I

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Particulars	Particulars
(a) Name(s) of the related party and nature of relationship	-
(b) Nature of contracts/ arrangements/ transactions ¤	-
(c) Duration of the contracts / arrangements/transactions	-
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	-
(e) Justification for entering into such contracts or arrangements or transactions	-
(f) Date(s) of approval by the Board	-
(g) Amount paid as advances, if any	-
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-

2. Details of material contracts or arrangement or transactions at arm's length basis*:

Particulars	Particulars
(a) Name(s) of the related party and nature of relationship	Refer Note 1
(b) Nature of contracts/ arrangements/ transactions	Refer Note 2
(c) Duration of the contracts / arrangements/transactions	Regular at arm's length**
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Refer Note 2
(e) Date(s) of approval by the Board, if any	Refer Note 2
(f) Amount paid as advances, if any	NIL

***The Details of Material transactions with related parties have been given along with transactions which are not material in nature in Note 2. Further, all Transactions are in the Ordinary Course of Business and at Arm's length.**

****Transaction of issue of equity Shares are one-time transactions.**

Note 1.

<u>Related parties during the year</u>

Sr. No.	**Particulars**	**Relationship**
1	Life Insurance Corporation of India (LIC)	Investing Company/Venturer
2	LIC Housing Finance Limited	Investing Company/Venturer
3	Mr. R. K. Jha, Managing Director & Chief Executive Officer (From 31st January 2024)	Key Management Personnel (KMP)
4	Mr. T. S. Ramakrishnan, Managing Director & Chief Executive Officer (up to 28th December 2023)	Key Management Personnel (KMP)
5	Mr. Mayank Arora, Chief Compliance, Financial Officer & Company Secretary	Key Management Personnel (KMP)
6	Mr. Kailash Bang	Independent Director
7	Mr. Praveen Garg	Independent Director
8	Mr. Raghunandan Maluste	Independent Director
9	Mr. Reema Diddee	Independent Director
10	Mr. Sanjay Muthal	Independent Director
11	Mr. Satish K Kamat	Independent Director
12	Mr. Vijay Sharma	Independent Director

NOTE - 2	
The Related Party Transactions are as under	
	(₹ in '000)
Particulars	**2023-24**
Transactions:	
1) Life Insurance Corporation of India (LIC)	
Material Transactions:	
a) Rights Issue:	
956 Equity Shares of LIC AMC having face value of Rs. 10,000/- at a premium of Rs. 2,48,851/- approved by the Board on 30th August 2023.	2,47,461.56
b) Private Placement:	
959 Equity Shares of LIC AMC having face value of Rs. 10,000/- at a premium of Rs. 2,50,618/- approved by the Board on 30th January, 2024 and approved by Shareholders on 28th February, 2024.	2,49,932.66
Other Transactions (approved on 21st April 2023):	
Rent, rates and taxes & other operating expenses	30,631.99
Contribution to provident and other funds	452.10
Gratuity	298.32
Insurance expenses	2,781.44
Receivables and deposits:	
Advances recoverable in cash or kind	8,370.54
2) LIC Housing Finance Limited (LIC HFL)	
Material Transactions:	
Rights Issue:	
835 Equity Shares of LIC AMC having face value of Rs. 10,000/- at a premium of Rs. 2,48,851/- approved by the Board on 30th August, 2023.	2,16,140.59
3) Key Management Personnel (KMP)	
Transactions (approved on 21st April 2023):	
Remuneration#	15,517.87
4) Independent Directors of AMC	
Sitting fees to Independent Directors (approved on 21st April 2023)	1,480.00
# The above figures do not include liability towards gratuity and leave encashment as separate figure for KMP is not available. Perquisites have been valued in accordance with the provisions contained in the Income Tax Rules, 1962.	

Note - The Board of Directors had accorded its approval to the transactions of Remuneration, Sitting Fees, Rent, rates and taxes & other operating expenses, Contribution to provident and other funds, Gratuity and Insurance expenses at meeting held on 21st April 2023.

For and on behalf of Board of Directors

Sd/-

Mr. R. K. Jha
(DIN: 10446712)
Managing Director and Chief Executive Officer
Address: Industrial Assurance Building, 4th Floor, Opp. Churchgate Station, Mumbai – 400 020

Sd/-

Mr. Praveen Garg
(DIN: 00208604)
Director
Address: Industrial Assurance Building, 4th Floor, Opp. Churchgate Station, Mumbai – 400 020

Place: Mumbai
Date: 28th June 2024

ANNEXURE II

NOMINATION & REMUNERATION COMMITTEE POLICY

Background & Constitution

Pursuant to Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014; since the Company has a paid up capital of more than Rs. 10 Crores; the Nomination and Remuneration Committee (NRC) was required to be constituted. Accordingly, the NRC had been constituted at the Board Meeting dated June 21, 2014. The Composition of the NRC as on 31st March 2024 is as under:

1. Mr. Sanjay Muthal
2. Mr. Raghunandan Maluste
3. Mr. Paul Labo

Overall objectives of the NRC Committee

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto as amended from time to time. The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the formulation of criteria for evaluation of Independent Director and the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.
- To assist the Board in fulfilling its responsibilities.
- To implement and monitor policies and processes regarding principles of corporate governance.

APPLICABILITY

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

DEFINITIONS

- The 'Act' means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- Board means Board of Directors of the AMC.
- Directors mean Directors of the Company.
- Key Managerial Personnel (KMP) means:
  - Chief Executive Officer or the Managing director or the Manager
  - Whole-time director
  - Chief Financial Officer
  - Company Secretary
  - Such other officer as may be prescribed.
- Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Policy for appointment, remuneration, removal and retirement of Director, KMP and Senior Management

Appointment criteria and qualifications

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board for his / her appointment. The Committee may delegate its authority to identify and appoint personnel to the Managing Director & CEO or to any other person (e.g. Human Resources department), as it may consider necessary and appropriate.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

As per the applicable provisions of Companies Act 2013, rules made thereunder, the Board and / or the Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Remuneration

The remuneration / compensation etc. to the Managing Director & CEO will be in line with the requirements stated in the Companies Act, 2013. The remuneration / compensation etc. payable to the Managing Director & CEO shall be subject to the approval of the shareholders of the Company.

Currently, the Company only pays sitting fees to its Independent Directors.

The remuneration payable to KMP or Senior Management level personnel will be in line with the Individual's qualification and experience.

Term / Tenure

Managing Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time.

No re-appointment shall be made earlier than one year before the expiry of term.

Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

The secretary of this Committee will be the Company Secretary of the Company.

INDEPENDENT AUDITOR'S REPORT

TO The Members of LIC Mutual Fund Asset Management Limited
Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of **LIC Mutual Fund Asset Management Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report 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 during the course of our 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 Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 financial controls, that were operating effectively for ensuring 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.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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 scepticism 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(*i*) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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 Company 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 those charged with governance regarding, 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 those charged with governance 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and according to the information and explanation given to us, during the current year, the remuneration paid by the Company to its Directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act.

h) 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) Rules, 2014, as amended, 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, 2024 (Refer Note- 26) to the Financial Statement;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has declared and paid dividend during the year. The same is in compliance with section 123 of the Companies Act, 2013.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No.109818W

Sd/-
Viral J. Shah
Partner
Membership No.: 110120
Place: Mumbai
Date: April 23, 2024
UDIN: 24110120BKFQNW7317

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of LIC Mutual Fund Asset Management Limited on the Ind AS financial statements for the year ended March 31, 2024)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and to the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. (a)(A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Intangible Assets.

(b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(c) According to the information and explanation given by the management, there are no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) of the company. Hence, reporting under clause (i)(c) of paragraph 3 of the Order is not applicable.

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.

(e) As represented by the Management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company is in the business of rendering services, and consequently, does not hold any inventory. Hence, reporting under clause (ii)(a) of paragraph 3 of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.

iii. The Company has made investments of its surplus into the Mutual funds' schemes and unlisted companies. But such investments are not prejudicial to the interest of the Company. The Company has not provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause (iii)(c) to (f) of paragraph 3 of the Order is not applicable.

iv. The Company has not given any loan to directors and to any other Company. Hence, the requirements under Section 185 of the Act is not applicable. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of investments have been complied with by the Company. The Company has not given any loan, guarantee or security to anyone.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits, as per the directives issued by Reserve Bank of India and the provisions of the section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of paragraph 3 of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute, except for details given below.

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	Income Tax including interest as applicable	1,15,97,196	AY 2012-13	Commissioner of Income Tax-Appeals
The Income Tax Act, 1961	Income Tax including interest as applicable	26,34,190	AY 2013-14	ITAT

viii. As represented by the Management, there were no transactions which were previously not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence, reporting under clause (ix)(a) to (f) of paragraph 3 of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.

(b) During the year, the Company has made private placement and Preferential allotment of shares. The requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.

xi. (a) As represented by the Management, there was no instance of fraud on the company and hence, reporting under clause (xi) (b) of paragraph 3 of the order is not applicable.

(c) As represented by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence, reporting under clause (xii) (a) to (c) of paragraph 3 of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors as per the provisions of section 192 of the Companies Act, 2013. Hence, reporting under clause (xv) of paragraph 3 of the Order is not applicable to the Company.

xvi. (i) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, the reporting under clauses (xvi)(a) to (c) of paragraph 3 of the order is not applicable.

(ii) In our opinion and based on the information received there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year. Hence, reporting under clause (xvii) of paragraph 3 of the Order is not applicable.

xviii. During the year there was no resignation of the Auditors. Hence, reporting under clause (xviii) of paragraph 3 of the Order is not applicable to the company.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Provisions of section 135 of Companies Act, 2013 related to Corporate Social Responsibility is not applicable to the company, Hence, reporting under clause 3(xx)(a) and (b) is not applicable to the company.

For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No.109818W

Sd/-
Viral J. Shah
Partner
Membership No.: 110120
Place: Mumbai
Date: April 23, 2024
UDIN: 24110120BKFQNW7317

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of LIC Mutual Fund Asset Management Limited on the Ind AS financial statements for the year ended March 31, 2024)

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

We have audited the internal financial controls over financial reporting of LIC Mutual Fund Asset Management Limited (the "Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 , 2024, based on the criteria for internal financial control over financial reporting 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 ICAI.

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 (the "ICAI"). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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 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.

For V. C. Shah & Co.
Chartered Accountants
ICAI Firm Registration No.109818W

Sd/-
Viral J. Shah
Partner
Membership No.: 110120
Place: Mumbai
Date: April 23, 2024
UDIN: 24110120BKFQNW7317

LIC Mutual Fund Asset Management Limited

(₹ in '000)

Balance Sheet

Particulars	Note	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS			
Financial Assets			
Cash & cash equivalents	3	44,906.57	34,043.94
Bank balance other than Cash and cash equivalents		-	-
Receivables			
Trade Receivables	4	34,760.58	60,494.52
Investments	5	13,21,490.08	9,64,966.08
Other financial assets	6	10,252.28	7,066.53
		14,11,409.51	10,66,571.07
Non-Financial Assets			
Current Tax Assets (net)	7	74,825.01	1,00,094.37
Property, Plant & Equipment	8	1,74,195.13	1,82,844.06
Other Intangible Assets	9	8,08,787.92	3,453.59
Other Non Financial assets	10	2,26,093.76	95,277.93
		12,83,901.82	3,81,669.95
Total Assets		**26,95,311.33**	**14,48,241.02**
LIABILITIES & EQUITY			
Liabilities			
Financial liabilities			
Payables	11		
Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,822.18	224.73
Other financial liabilities	12	1,48,895.35	1,51,070.85
		1,52,717.53	1,51,295.58
Non-Financial liabilities			
Provisions	13	79,394.97	62,399.84
Other non-financial liabilities	14	3,190.67	2,922.83
		82,585.64	65,322.67
Equity			
Equity Share Capital	15	1,53,900.00	1,10,000.00
Other Equity	16	23,06,108.16	11,21,622.77
		24,60,008.16	12,31,622.77
Total Liabilities and Equity		**26,95,311.33**	**14,48,241.02**
MATERIAL ACCOUNTING POLICIES	1 & 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 V. C. Shah & Co.
Chartered Accountants
Firm Registration No : 109818W

Sd/-
Viral J. Shah
Partner
Membership No.: 110120

For and on behalf of Board of Directors

Sd/-
Siddhartha Mohanty
Director
DIN:08058830

Sd/-
R. K. Jha
Managing Director &
Chief Executve Officer
DIN: 10446712

Sd/-
Mayank Arora
Chief Financial Officer and Company Secretary

Place : Mumbai
Date : 23rd April, 2024

LIC Mutual Fund Asset Management Limited

(₹ in '000)

Statement of Profit and Loss

Particulars	Note	Year ended Mar-24	Year ended Mar-23
Revenue from operations			
Fees and commission income	17	8,24,589.24	5,98,787.04
Net gain on fair value changes	18	1,12,064.44	36,196.51
Other income	19	9,315.54	56,587.04
Total income		9,45,969.22	6,91,570.59
EXPENSES			
Finance costs	20	15,590.55	15,699.25
Employee benefits expense	21	3,93,619.76	3,47,074.80
Depreciation, amortisation & impairement	22	1,41,015.50	40,003.63
Other expenses	23	2,85,987.28	2,77,957.16
Total Expenses		8,36,213.09	6,80,734.84
PROFIT BEFORE TAX		1,09,756.13	10,835.75
Tax expenses			
Current tax		-	-
(Short)/Excess provision of tax of earlier years		-	-
MAT credit entitlement		-	-
Deferred tax		-	-
PROFIT FOR THE YEAR		1,09,756.13	10,835.75
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) on defined benefit plans		(7,953.68)	1,398.11
Income tax on above			
Effect of measuring investment at fair value		(467.51)	-
Other Comprehensive Income for the year (net of tax)		(8,421.19)	1,398.11
Total Comprehensive Income for the year		1,01,334.95	12,233.86
EARNINGS PER EQUITY SHARE			
Weighted average number of equity shares (Nos.)		12,670	11,000
Basic and Diluted EPS (Rs.)		7,998.26	1,112.17
Face Value per share (Rs.)		10,000	10,000
MATERIAL ACCOUNTING POLICIES	1 & 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

For V. C. Shah & Co.
Chartered Accountants
Firm Registration No : 109818W

Sd/-
Viral J. Shah
Partner
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For and on behalf of Board of Directors

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Sd/-
Mayank Arora
Chief Financial Officer and Company Secretary

Place : Mumbai
Date : 23rd April, 2024

LIC Mutual Fund Asset Management Limited

Cash Flow Statement

(₹ in '000)

Particulars	Year ended	
	Mar 31, 2024	Mar 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit after Other Comprehensive Income	1,01,334.95	12,233.86
Add/(Less) adjustments for:		
Depreciation and amortization expenses	1,41,015.50	40,003.63
Loss/(Profit) on sale of investments (net)	(76,591.92)	(7,988.55)
Fair value gain (Unrealised gain)	(35,005.03)	(28,207.96)
Loss/(Profit) on sale of fixed assets (net)	(75.23)	(61.68)
Interest on Bank deposits	(1,303.81)	(10,474.29)
Interest on lease liability	15,590.55	15,699.25
Provision/(write back) for gratuity	9,052.22	588.60
Operating profit before working capital changes	1,54,017.22	21,792.86
Change in assets and liabilities		
(Increase)/decrease in trade receivables	25,733.94	(384.49)
(Increase)/decrease in other financial and non-financial assets	(1,34,013.91)	(34,748.39)
Increase/(Decrease) in Trade Payable	3,597.45	(1,255.71)
Increase/(Decrease) in other financial liabilities	(17,766.06)	11,166.08
Increase/(Decrease) in other non-financial liabilities	267.83	(88.89)
Increase /(decrease) in provisions	7,942.91	(8,395.19)
Cash generated from operations	39,779.39	(11,913.73)
Direct taxes (paid)/Refund (Net)	25,269.36	(570.27)
NET CASH FROM OPERATING ACTIVITIES	65,048.74	(12,484.00)
CASH FLOW FROM INVESTING ACTIVITIES		
Payment/Proceeds towards capital expenditure	(9,37,625.66)	(87,510.35)
Interest on Investment in fixed deposits	1,316.14	22,427.59
Maturity/ (Investment) made in bank deposits	-	4,39,300.00
Investment in CDMDF	(17,069.15)	-
Investment in mutual fund units	(10,66,410.27)	(10,52,267.48)
Disposal of mutual fund units	8,38,552.39	7,32,605.64
NET CASH GENERATED BY INVESTING ACTIVITIES	(11,81,236.55)	54,555.40
CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds towards Issue of Equity Shares	11,38,050.44	-
Payment of dividend	(11,000.00)	(11,000.00)
NET CASH USED IN FINANCING ACTIVITIES	11,27,050.44	(11,000.00)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	10,862.63	31,071.40
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	34,043.94	2,972.54
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	44,906.57	34,043.94

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

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

For V. C. Shah & Co.
Chartered Accountants
Firm Registration No : 109818W

Sd/-
Viral J. Shah
Partner
Membership No.: 110120

Place : Mumbai
Date : 23rd April, 2024

For and on behalf of Board of Directors

Sd/-
Siddhartha Mohanty
Director
DIN: 08058830

Sd/-
R. K. Jha
Managing Director &
Chief Executve Officer
DIN: 10446712

Sd/-
Mayank Arora
Chief Financial Officer and Company Secretary

LIC Mutual Fund Asset Management Limited

Statement of changes in equity

a) Equity Share Capital

(₹ in '000)

Particulars	Amount
Balance as at Mar 31, 2022	**1,10,000.00**
Changes due to prior period errors	-
Restated balance as at Mar 31, 2022	1,10,000.00
Add / (Less): Changes in equity share capital during the year	-
Balance as at Mar 31, 2023	**1,10,000.00**
Changes due to prior period errors	-
Restated balance as at Mar 31, 2023	1,10,000.00
Add / (Less): Changes in equity share capital during the year	43,900.00
Balance as at Mar 31, 2024	**1,53,900.00**

b) Other equity

(₹ in '000)

	Reserves & Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at Mar 31, 2022	**7,90,000.00**	**5,19,640.00**	**(1,99,372.38)**	**10,121.30**	**11,20,388.91**
Changes in accounting policy/Prior period errors	-	-	-	-	-
Restated balance as at April 01, 2022	**7,90,000.00**	**5,19,640.00**	**(1,99,372.38)**	**10,121.30**	**11,20,388.91**
Profit for the year	-	-	10,835.75	-	10,835.75
Other comprehensive income (net of tax)	-	-	-	1,398.11	1,398.11
Total comprehensive income for the year	**-**	**-**	**10,835.75**	**1,398.11**	**12,233.86**
Dividend on equity shares	-	-	(10,395.00)	-	(10,395.00)
TDS on dividend paid	-	-	(605.00)	-	(605.00)
Balance as at Mar 31, 2023	**7,90,000.00**	**5,19,640.00**	**(1,99,536.62)**	**11,519.41**	**11,21,622.77**
Changes in accounting policy/Prior period errors	-	-	-	-	-
Restated balance as at April 01, 2023	**7,90,000.00**	**5,19,640.00**	**(1,99,536.62)**	**11,519.41**	**11,21,622.77**
Profit for the year	-	-	1,09,756.13	-	1,09,756.13
Other comprehensive income (net of tax)	-	-	-	(8,421.19)	(8,421.19)
Total comprehensive income for the year	**-**	**-**	**1,09,756.13**	**(8,421.19)**	**1,01,334.95**
Add / (Less): Changes in securities premium during the year	10,94,150.44	-	-	-	10,94,150.44
Dividend on equity shares	-	-	(10,395.00)	-	(10,395.00)
TDS on dividend paid	-	-	(605.00)	-	(605.00)
Balance as at Mar 31, 2024	**18,84,150.44**	**5,19,640.00**	**(1,00,780.49)**	**3,098.21**	**23,06,108.16**

For V. C. Shah & Co.
Chartered Accountants
Firm Registration No : 109818W

Sd/-
Viral J. Shah
Partner
Membership No.: 110120

Place : Mumbai
Date : 23rd April, 2024

For and on behalf of Board of Directors

Sd/-
Siddhartha Mohanty
Director
DIN: 08058830

Sd/-
R. K. Jha
Managing Director &
Chief Executve Officer
DIN: 10446712

Sd/-
Mayank Arora
Chief Financial Officer and Company Secretary

1. Company Information and Basis of preparation of financial statements

1.1. Company Information

LIC Mutual Fund Asset Management Limited was incorporated on April 20, 1994 under The Companies Act,1956. The registered and corporate office of the company is situated at 4th Floor, Industrial Assurance Building, Opp. Churchgate station, Mumbai – 400020.

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).

The functional and presentation currency of the Company is Indian Rupees (INR) which is the currency of the primary economic environment in which the company operates.

1.2. Basis of preparation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as "Ind AS") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rule, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and guidelines issued by the Securities and Exchange Board of India (SEBI).

The financial statements have been prepared on a historical cost convention, except for certain items that have been measured at fair values at the end of each reporting period as required by the relevant Ind AS:
(i) Certain Financial assets and liabilities measured at fair value.
(ii) Defined benefits plan - Plan assets measured at fair value.

1.3. Presentation of financial statements

The company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to The Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 31.

1.4. New standards and amendments to existing Ind AS:

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:
* Disclosure of accounting policies – amendments to Ind AS 1
* Definition of accounting estimates – amendments to Ind AS 8
* Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2. Material Accounting Policies

2.1. Use of estimates and critical accounting judgements

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

i) Property, plant and equipment and Intangible assets:

Management reviews the estimated useful lives and residual value of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are as per Schedule II of the Companies Act, 2013 or are based on company's historical experience with similar assets and considering anticipated technological changes, whichever is more appropriate.

ii) Income Tax:

The company reviews at each Balance Sheet date the carrying amount of deferred tax assets. The factors used in estimates may defer from actual outcome which could lead to an adjustment to the amounts reported in the financial statements.

iii) Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

iv) Defined benefit obligation:

The cost of post-employment benefit is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long-term nature of these plans such estimates are subject to significant uncertainty.

v) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

2.2. Property, plant and equipment.

Property, Plant & Equipment are stated at cost of acquisition, including any cost attributable for bringing the asset to its working condition, less accumulated depreciation and accumulated impairment losses, if any. Gains or losses arising from derecognition of property, plant and equipment are measured as difference between the net disposal proceeds and the cost of the assets less accumulated depreciation upto the date of disposal and are recognised in the statement of profit and loss when asset is derecognised. Leasehold Improvements are shown at historical cost less accumulated depreciation.

Subsequent cost incurred on an item of property, plant and equipment is recognized in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance expenses are recognized in Profit and Loss account as and when incurred.

Depreciation on Property, Plant & Equipment

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.

As per the requirement of Schedule II of The Companies Act, 2013, the company has evaluated the useful lives of the respective Property, Plant & Equipment which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives for the assets are as follows:

Property, Plant and Equipment	Estimated Useful Life
Furniture and fittings	10 years
Office equipments	5 years
Computers	3 years
Computers (Ipad) [a]	2 years
Vehicles[a]	5 years
Leasehold improvement	Over the period of lease or useful life, whichever is less

[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.

2.3. Intangible assets and amortization

Intangible assets comprising of system softwares, are stated at cost of acquisition, including any cost attributable for bringing the asset to its working condition, less accumulated depreciation and impairment, if any.

Amortization of intangible assets:
Intangible assets are amortized using straight line method over the useful lives as under:

Intangible asset	Estimated Useful Life
Computer software	3 years
Right to Manage AUM	7 years

2.4. Revenue Recognition

Revenue (other than those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the company expects to be entitled in exchange for transferring promised services to the customer, excluding amounts collected on behalf of third parties. The company consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

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.

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.

2.5. Employee benefits

i) Short term employee benefits

All short term employee benefits such as salaries, incentives, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the statement of profit and loss.

Post-employment benefits:

i) Defined contribution plan

Provident Fund - 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 benefit plan

Gratuity - Gratuity for employees is covered by Gratuity Scheme with Life Insurance Corporation of India and the contribution thereof is paid/provided for. Provision for Gratuity is made on the basis of actuarial valuation on Projected Unit Credit Method as at the end of the year. Actuarial gain and losses are recognized in full in the other comprehensive income for the period in which they occur. Past service costs both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in the future contributions to the scheme.

2.6. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the financial statements.

Contingent assets are not recognised, but disclosed in the financial statements, if any. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

2.7. Income taxes

Income Tax expense comprises current tax expense and the net change in deferred tax assets or liabilities during the year. Current and deferred taxes are recognized in statement of profit and loss except when they relate to items that are recognized in the comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or equity respectively.

Current Income Taxes

Advance taxes and provisions for current income taxes are presented in the Balance Sheet after offsetting advance tax paid and income tax provisions arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the assets and liabilities on net basis.

Deferred Income Taxes

i) Deferred Income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of assets and liabilities in a transaction that is not a business combination and effects neither accounting nor taxable profit or loss at the time of transaction.

ii) Deferred income tax asset is recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carry forward of unused tax credits and unused tax losses can be utilised.

iii) The carrying amount of deferred income taxes is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient profit will be available to allow all or part of deferred income tax asset to be utilised.

iv) Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

v) Deferred tax assets or liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.8. Financials Instruments

i) Date of recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

ii) Initial measurement of financial instrument

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

iii) Classification of financial instruments

The company classifies all the financial assets based on business model for managing the assets and the assets contractual terms, measured at either:

a) Financial assets at amortized cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in mutual fund units are measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition.

iv) Impairment of financial assets

The company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

v) De-recognition of financial assets

A financial asset is de-recognised only when:

a) The company has transferred the rights to receive cash flows from the financial asset or

b) Retains the contractual rights to receive cash flows of the financial asset but assumed a contractual obligation to pay the cash flows to one or more recipients.

vi) Investment in mutual funds

The company subsequently measures all the mutual fund investments at FVTPL as these financial assets do not pass the contractual cash flow test as required by Ind AS 109 – Financial Instruments, for being designated at amortised cost or FVTOCI, hence classified at FVTPL.

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. Other financial liabilities

Financial liabilities are initially recognized at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognized as an asset / liability based on underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost.

2.11. Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.12. Leases

The Company has applied IND AS 116 using the prospective approach.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. For leases of real estate for which the company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

• <u>Fixed payments:</u>

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are nted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

• The amount of the initial measurement of lease liability

• Any lease payments made at or before the commencement date less any lease incentives received

• any initial direct costs, and

• Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

2.13. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

2.14. 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 the year in which such expenses are incurred.

3 Cash and cash equivalents

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Balances with banks		
In current accounts	44,906.57	4,043.94
In Fixed Deposit	-	30,000.00
	44,906.57	34,043.94

4 Trade Receivables

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured, considered good		
Within 6 months	34,760.58	60,494.52
More than 6 months	-	-
	34,760.58	60,494.52

Neither trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

4.1.a Trade Receivable ageing schedule as at Mar 31, 2024

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	34,760.58	-	-	-	-	34,760.58
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

4.1.b Trade Receivable ageing schedule as at Mar 31, 2023

(₹ in '000)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	60,494.52	-	-	-	-	60,494.52
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

Note: For the purpose of ageing, due date is considered same as bill date.

5 Investments

Particulars	No. of units		Amount (₹ in '000)	
	As at Mar 31, 2024	As at Mar 31, 2023	As at Mar 31, 2024	As at Mar 31, 2023
Investments measured at FVTPL				
Units of LIC Mutual Fund (Face value of Rs. 10 each) - Quoted				
G Sec. Long Term Exchange Traded Fund	4,00,000.000	4,00,000.000	10,016.00	9,252.00
Exchage Traded Fund - Nifty 50 - Growth Plan	63,641.000	63,641.000	15,356.57	11,744.95
Exchage Traded Fund - Sensex - Growth Plan	19,123.000	19,123.000	15,345.44	12,040.22
Exchange Traded Fund Nifty 100 - Growth Plan	65,774.000	65,774.000	16,014.65	11,857.08
Units of LIC Mutual Fund (Face value of Rs 10 each) - Unquoted				
Aggressive Hybrid Fund(Formerly LIC MF Equity Hybrid Fund) - Direct Plan-Growth	44,555.817	39,923.782	8,443.51	5,894.74
Arbitrage Fund - Direct Growth Plan	4,99,380.768	4,99,380.768	6,588.63	6,114.12
Balanced Advantage Fund Direct Plan-Growth	7,45,841.677	9,81,271.338	9,341.29	10,379.89
Banking & Financial Services Fund- Direct Growth Plan	4,00,944.113	4,00,944.113	7,974.50	6,531.82
Banking & PSU Debt Fund - Direct Growth Plan	2,76,581.533	2,89,618.205	9,337.67	9,083.53
Bond Fund - Direct Growth Plan	1,27,425.870	1,27,425.870	8,841.43	8,132.64
Children's Fund - Direct Plan	33,994.411	33,994.411	1,100.38	850.75
Conservative Hybrid Fund (formerly LIC MF Debt Hybrid Fund) - Direct Plan-Growth	1,45,586.177	1,13,613.641	11,852.49	8,478.62
Dividend Yield Fund (Formerly IDBI MF Dividend Yield Fund) - Direct Plan-Growth	58,129.452	-	1,545.58	-
ELSS Tax Saver(Formerly LIC MF ELSS) - Direct Plan-Growth	38,196.568	-	5,456.88	-
Equity Savings Fund(Formerly IDBI MF Equity Savings Fund) - Direct Plan-Growth	5,218.218	-	141.82	-
Flexi cap Fund - Direct Growth Plan	1,32,506.352	1,23,307.907	12,367.57	8,498.80
Focused 30 Equity Fund (Formerly IDBI MF Focused 30 Equity Fund) - Direct Plan-Growth	93,741.696	3,46,293.962	1,892.53	-
Govt. Securities Fund - Direct - Regular Growth Plan	1,31,986.687	1,31,986.687	7,875.58	7,251.55
Healthcare Fund (Formerly IDBI MF Healthcare Fund) - Direct Plan-Growth	34,122.606	-	869.03	-
Infrastructure Fund - Direct Growth Plan	4,12,752.398	4,12,752.398	17,463.39	10,688.02
Large & Midcap Fund - Direct Growth Plan	9,12,066.019	9,53,570.956	32,264.34	24,141.94
Large Cap Fund - Direct Growth Plan	3,49,921.132	2,44,495.191	19,148.28	10,444.25
Long Term Value Fund (Formerly IDBI MF Long Term Value Fund) - Direct Plan-Growth	66,920.836	-	1,498.22	-
Low Duration Fund (Formerly known as LIC MF Savings Fund) - Direct Plan-Growth	1,12,70,606.223	1,47,26,503.873	4,38,565.21	5,33,542.71
Mid Cap Fund (Formerly IDBI MF Midcap Fund) - Direct Plan - Growth	1,24,329.823	-	3,205.62	-
Money Market Fund Direct Plan-Growth	1,819.909	1,819.909	2,018.90	1,887.74
Multi Cap Fund Direct Plan-Growth	7,17,206.883	5,59,972.001	9,793.39	5,405.35
Nifty 50 Index Fund - Direct Plan - Growth	1,99,741.301	5,64,809.923	26,179.39	57,155.44
Overnight Fund - Direct Growth Plan	4,994.187	4,994.187	6,198.40	5,803.97
S & P BSE Sensex Index Fund - Direct Plan-Growth	34,694.470	34,694.470	5,065.69	4,018.97
Short Duration Fund (Formerly known as LIC MF Short Term Debt Fund) - Direct Plan-Growth	4,96,386.308	4,96,386.308	6,936.80	6,444.14
Small Cap Fund (Formerly IDBI MF Small Cap Fund) - Direct Plan-Growth	92,439.354	-	2,527.93	-
Tax Plan - Direct Growth Plan	59,109.721	59,109.721	8,444.59	6,318.38
ULIS - Direct - Single Premium 10 Years	3,46,293.962	3,46,293.962	12,147.85	9,844.34
Ultra Short Duration Fund (Formerly known as LIC MF Ultra Short Term Fund) - Direct Plan-Growth	4,991.910	4,991.910	6,141.30	5,752.49
Units of LIC Mutual Fund (Face value of Rs 1,000 each) - Unquoted				
Liquid Fund - Direct Growth Plan	1,23,075.147	36,818.542	5,39,704.22	1,50,501.09
Corporate Debt Market Development Fund - Unquoted	1,706.915	-	17,385.94	
Investments measured at OCI				
Equity Shares of MF Utilities (Face value of Rs 1 each) - Unquoted	5,00,000.000	5,00,000.000	1,780.32	2,802.08
Equity shares in AMC Repo Clearing Limited	14,21,796.000	14,21,796.000	14,658.72	14,104.46
			13,21,490.08	9,64,966.08

Aggregate amount of quoted investments (Market value)	56,732.67	44,894.25
Aggregate amount of unquoted investments (Market value)	12,64,757.41	9,20,071.83
Aggregate amount of impairment in value of investments	-	-
Investment in India	13,21,490.08	9,64,966.08
Investment Outside India	-	-

6 Other financial assets

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Security deposits (for lease)	9,935.83	6,737.75
Other deposits (with court)	316.45	316.45
Interest accrued but not due on fixed deposit	-	12.33
	10,252.28	7,066.53

7 Current Tax (net)

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Advance income-tax (net of provision for tax)	74,825.01	1,00,094.37
	74,825.01	1,00,094.37

(₹ in '000)

8i Property, Plant and Equipment	Leasehold improvements	Office equipments	Computer	Furniture & Fittings	Total (A)
Reconciliation of carrying amount					
Gross Block					
Balance as at April 01, 2022	32,012.08	15,319.68	83,974.02	6,480.08	1,37,785.86
Additions	396.98	686.55	31,511.35	585.66	33,180.54
Disposals	-	(164.93)	(4.00)	(81.53)	(250.46)
Balance as at Mar 31, 2023	**32,409.06**	**15,841.30**	**1,15,481.37**	**6,984.21**	**1,70,715.94**
Balance as at April 01, 2023	32,409.06	15,841.30	1,15,481.37	6,984.21	1,70,715.94
Additions	-	2,120.77	13,919.84	318.50	16,359.11
Disposals		(0.04)		(0.15)	(0.19)
Balance as at Mar 31, 2024	**32,409.06**	**17,962.03**	**1,29,401.22**	**7,302.56**	**1,87,074.86**
Accumulated depreciation and impairment losses					
Balance as at April 01, 2022	28,913.66	13,190.56	76,882.80	5,596.53	1,24,583.55
Depreciation for the year	621.70	1,354.23	10,269.00	432.65	12,677.58
Disposals		(161.40)	(4.00)	(62.87)	(228.28)
Balance as at Mar 31, 2023	**29,535.36**	**14,383.39**	**87,147.80**	**5,966.31**	**1,37,032.85**
Balance as at April 01, 2023	29,535.36	14,383.39	87,147.80	5,966.31	1,37,032.85
Depreciation for the year	611.04	867.53	16,018.73	432.26	17,929.56
Disposals					-
Balance as at Mar 31, 2024	**30,146.40**	**15,250.91**	**1,03,166.53**	**6,398.56**	**1,54,962.41**
Carrying amounts (net)					
As at Mar 31, 2024	**2,262.66**	**2,711.11**	**26,234.69**	**904.00**	**32,112.44**
As at Mar 31, 2023	**2,873.71**	**1,457.91**	**28,333.58**	**1,017.90**	**33,683.09**

(₹ in '000)

8ii Property, Plant and Equipment	Right of use asset (B)	Total (A+B)
Reconciliation of carrying amount		
Gross Block		
Balance as at April 01, 2022	1,81,069.60	3,18,855.46
Additions	55,950.01	89,130.55
Disposals	(4,434.22)	(4,684.68)
Balance as at Mar 31, 2023	**2,32,585.39**	**4,03,301.33**
Balance as at April 01, 2023	2,32,585.39	4,03,301.33
Additions	36,811.38	53,170.50
Disposals	(9,719.53)	(9,719.72)
Balance as at Mar 31, 2024	**2,59,677.25**	**4,46,752.12**
Accumulated depreciation and impairment losses		
Balance as at April 01, 2022	58,968.77	1,83,552.32
Depreciation for the year	24,455.65	37,133.23
Disposals	-	(228.28)
Balance as at Mar 31, 2023	**83,424.42**	**2,20,457.27**
Balance as at April 01, 2023	83,424.42	2,20,457.27
Depreciation for the year	34,170.14	52,099.70
Disposals	-	-
Balance as at Mar 31, 2024	**1,17,594.56**	**2,72,556.97**
Carrying amounts (net)		
As at Mar 31, 2024	**1,42,082.68**	**1,74,195.13**
As at Mar 31, 2023	**1,49,160.97**	**1,82,844.06**

LIC Mutual Fund Asset Management Limited

Notes to Financial Statements for the year ended March 31, 2024

(₹ in '000)

9 Other Intangible Assets	**Computer Software**	**Right to Manage AUM**	**Total**
Reconciliation of carrying amount			
Gross Block			
Balance as at April 01, 2022	98,316.55	-	98,316.55
Additions	2,897.16	-	2,897.16
Disposals	-	-	-
Balance as at Mar 31, 2023	**1,01,213.71**	**-**	**1,01,213.71**
Balance as at April 01, 2023	1,01,213.71	-	1,01,213.71
Additions	6,921.86	8,88,100.00	8,95,021.86
Disposals	-	-	-
Balance as at Mar 31, 2024	**1,08,135.57**	**8,88,100.00**	**9,96,235.57**
Accumulated depreciation and impairment losses			
Balance as at April 01, 2022	94,889.74	-	94,889.74
Amortisation for the year	2,870.39	-	2,870.39
Impairment loss	-	-	-
Disposals	-	-	-
Balance as at Mar 31, 2023	**97,760.13**	**-**	**97,760.13**
Balance as at April 01, 2023	97,760.13	-	97,760.13
Amortisation for the year	3,899.22	85,788.31	89,687.53
Reversal of impairment loss	-	-	-
Disposals	-	-	-
Balance as at Mar 31, 2024	**1,01,659.35**	**85,788.31**	**1,87,447.65**
Carrying amounts (net)			
As at Mar 31, 2024	**6,476.23**	**8,02,311.69**	**8,08,787.92**
As at Mar 31, 2023	**3,453.59**	**-**	**3,453.59**

Note:

Rights to Manage AUM' is recognised on account of acquisition of IDBI Mutual Fund Schemes by LIC Mutual Fund. (Refer Note 42)

10 Other non financial assets

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Prepaid expenses	67,792.82	28,933.93
Advances recoverable	5,703.74	2,348.57
Statutory dues (Input tax credit)	1,52,597.20	39,459.61
Others	-	24,535.82
	2,26,093.76	95,277.93

11 Trade payables

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Total outstanding dues of micro and small enterprises#	-	-
Total outstanding dues of other than micro and small enterprises*	3,822.19	224.73
	3,822.19	224.73

* 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.

11.1 Trade payable ageing*

Outstanding for following periods from due date of payment	Particulars	
	(i) MSME	(ii) Others
As at Mar 31, 2024		
Unbilled		
Not due		
Outstanding for following periods from due date:		
Less than 1 year	-	3,822.19
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	3,822.19
As at Mar 31, 2023		
Unbilled		
Not due		
Outstanding for following periods from due date:		
Less than 1 year	-	224.73
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	224.73

* There are no Disputed Trade payables for Mar 31, 2024 and Mar 31, 2023

Note: For the purpose of ageing, due date is considered same as bill date.

12 Other financial liabilities

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Balance held on behalf of PMS clients	-	2,651.39
Lease liabilities	1,48,895.35	1,48,419.46
	1,48,895.35	1,51,070.85

13 Provisions

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Provision for outstanding expenses	69,754.15	58,694.67
Provision for gratuity	9,640.82	588.60
Provision for contingencies	-	3,116.57
	79,394.97	62,399.84

14 Other non-financial liabilities

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Statutory dues	3,190.67	2,922.83
	3,190.67	2,922.83

15 Share capital

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Authorised:		
25,000 equity shares of ₹10,000 each	2,50,000.00	2,50,000.00
Issued, subscribed and paid up:		
15,390 (PY 11,000) equity shares of ₹10,000 each, fully paid up	1,53,900.00	1,10,000.00
	1,53,900.00	1,10,000.00

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		Amount (₹ in '000)	
	As at Mar 31,		As at Mar 31,	
	2024	2023	2024	2023
Opening number of shares outstanding	11,000	11,000	1,10,000.00	1,10,000.00
Add : Shares issued during the year	4,390	-	43,900.00	-
Closing number of shares outstanding	15,390	11,000	1,53,900.00	1,10,000.00

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. The dividend, if any is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

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

Name of the shareholder	As at Mar 31, 2024		As at Mar 31, 2023	
	No. of shares	% held	No. of shares	% held
Equity shares of ₹ 10,000 each fully paid:				
LIC of India and its nominees (Associate)	6,865	44.61%	4,950	45.00%
LIC Housing Finance Limited (Assosciate)	5,158	33.52%	4,323	39.30%
GIC Housing Finance Limited	1,536	9.98%	1,287	11.70%
IDBI Asset Management Limited	1,306	8.49%	-	0.00%

	As at Mar 31, 2024	As at Mar 31, 2023
d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date	1,306	-
e) Aggregate number of shares alloted as bonus shares during the period of five years immediately preceding the reporting date	-	-
f) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date	-	-

Shares held by promoters at the end of the year Mar 31, 2024				% change during the year
S.	**Promoter name**	**No. of shares**	**% of total shares**	
1	LIC of India	6,865	44.61%	38.69%
2	LIC Housing Finance Limited	5,158	33.52%	19.32%

Shares held by promoters at the end of the year Mar 31, 2023				% change during the year
S.	**Promoter name**	**No. of shares**	**% of total shares**	
1	LIC of India	4,950	45.00%	-
2	LIC Housing Finance Limited	4,323	39.30%	-

16 Other Equity

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Securities premium	18,84,150.44	7,90,000.00
General reserve:		
Balance as at the beginning of the year	5,19,640.00	5,19,640.00
Add: transferred from surplus	-	-
Balance as at the end of the year	5,19,640.00	5,19,640.00
Surplus/(Deficit) in the Statement of Profit and Loss:		
Balance as at the beginning of the year	(1,88,017.23)	(1,89,251.09)
Add: Profit for the year	1,01,334.95	12,233.86
Less: Dividend	(10,395.00)	(10,395.00)
Less: TDS on dividend	(605.00)	(605.00)
Balance as at the end of the year	(97,682.28)	(1,88,017.23)
	23,06,108.16	11,21,622.77

17 Fees and commission income

(₹ in '000)

Particulars	Year ended Mar-24	Year ended Mar-23
Management fees from mutual fund (Net)	8,17,528.79	5,89,461.46
Portfolio management fees (Net)	7,060.45	9,325.58
	8,24,589.24	5,98,787.04

18 Net gain on fair value changes

(₹ in '000)

Particulars	Year ended Mar-24	Year ended Mar-23
Unrealised gain on Investment	35,472.53	28,207.96
Realised gain on Investment	76,591.92	7,988.55
	1,12,064.44	36,196.51

19 Other income

(₹ in '000)

Particulars	Year ended Mar-24	Year ended Mar-23
Interest income on		
Fixed deposit with bank	1,303.81	10,474.29
Security deposit on lease asset	643.11	368.70
Profit on sale of Fixed Asset	75.23	61.68
Interest on income tax refund	-	2,844.78
Fair value change in lease accounting	1,866.24	758.09
Other non-operating income	2,310.59	13.25
Excess provision written back	3,116.57	42,066.25
	9,315.54	56,587.04

20 Finance cost

(₹ in '000)

Particulars	Year ended Mar-24	Year ended Mar-23
Interest on lease liability	15,590.55	15,699.25
	15,590.55	15,699.25

21 Employees benefit expense

(₹ in '000)

Particulars	Year ended Mar-24	Year ended Mar-23
Salaries, allowances and bonus	3,47,203.54	3,12,586.46
Deputation cost	10,963.92	5,642.64
Staff welfare expenses	15,180.42	7,724.28
Contribution to provident and other funds	18,287.64	16,754.68
Leave encashment	296.64	-
Gratuity	1,687.61	4,366.75
	3,93,619.76	3,47,074.80

As per Ind AS 19 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below

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:

(₹ in '000)

Company contribution to provident and pension fund	Year ended Mar-24	Year ended Mar-23
Provident fund	17,891.12	16,508.84
Pension fund	396.52	245.84
	18,287.64	16,754.68

b) Defined Benefit Plan:

The company has the following defined benefit plan

Particulars	**Remarks**
Gratuity	Funded

Asset information

Gratuity is admistered through a trust fund set up with Life Insurance of India

(₹ in '000)

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
i)	**Reconciliation of change in present value of the defined benefit obligation**		
	Balance at the beginning of the year	23,358.06	28,571.04
	Interest cost	1,674.34	2,092.23
	Current service cost	3,033.22	3,568.04
	Past service cost (vested benefits)	-	-
	Benefit paid	(3,051.24)	(7,525.93)
	Actuarial (gain) / loss on obligation	8,094.65	(3,347.31)
	Balance at the end of the year	33,109.04	23,358.06
	Current	308.02	335.63
	Non current	32,801.02	23,022.44
ii)	**Reconciliation of change in fair value of the plan assets fund**		
	Opening fair value of plan assets	22,769.46	30,270.06
	Adjustment to opening fair value of plan assets	1,935.47	-
	Return on plan assets excluding interest income	140.97	(1,949.20)
	Interest income	1,673.55	1,949.20
	Contribution by employer	-	25.33
	Contribution by employee	-	-
	Benefit paid	(3,051.24)	(7,525.93)
	Fair value of plan assets at end	23,468.21	22,769.46
iii)	**Past service cost recognised**		
	Past service cost (non vested benefits)	-	-
	Past service cost (vested benefits)	-	-
	Recognised past service cost (vested benefits)	-	-
iv)	**Amount to be recognized in the balance sheet**		
	Present value of obligations at end of the year	33,109.04	23,358.06
	Fair value of plan assets at the end of the year	23,468.21	22,769.46
	Net (Liability)/Asset recognised in the balance sheet	(9,640.82)	(588.60)
v)	**Expenses recognised in the statement of profit and loss account**		
	Current service cost	3,033.22	3,568.04
	Interest cost	0.79	143.03
	Past service cost (vested benefits)	-	-
	Settlement effect	-	-
	Unrecognised past service cost - non vested benefit	-	-
	Expenses to be recognised in the statement of profit and loss account	3,034.01	3,711.07
vi)	**Expenses recognised in Other Comprehensive Income (OCI)**		
	Actuarial (Gain)/Loss recognised for the period	8,094.65	(3,347.31)
	Asset limit effect	-	-
	Return on Plan Assets excluding net interest	(140.97)	1,949.20
	Unrecognised actuarial (gain) / loss from previous period	-	-
	Total actuarial (gain)/loss recognised in OCI	7,953.68	(1,398.11)
vii)	**Actuarial Assumption Per Annum**		
	Discount rate	6.97%	7.22%
	Salary escalation	5.00%	3.00%
	Retirement age	58 Years	58 Years
	Attrition rate:		
	Past service 0 to 5 years	10.00%	10.00%
viii)	**Sensitivity analysis**		
	Discount rate + 1%	29,411.23	20,717.82
	Discount rate - 1%	37,417.47	26,437.01
	Salary escalation increase rate +1 %	36,651.40	26,098.60
	Salary escalation increase rate - 1 %	29,854.21	20,764.24
ix)	**Expected payout**		
	Expected outgo		
	Year 1	308.02	335.63
	Year 2	236.11	284.04
	Year 3	300.56	233.92
	Year 4	323.58	244.38
	Year 5	2,766.49	258.52
	Year 6-10	13,701.74	9,239.02

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.

22 Depreciation, amortization & impairement expense

(₹ in '000)

Particulars	Year ended Mar-24	Year ended Mar-23
Depreciation of Property, Plant and Equipment	17,929.57	12,677.58
Amortisation of Other intangible assets	3,899.22	2,870.40
Depreciation on Right of use assets	33,398.40	24,455.65
Amortisation of Right to manage AUM	85,788.31	-
	1,41,015.50	40,003.63

23 Other expenses

(₹ in '000)

Particulars	Year ended Mar-24	Year ended Mar-23
Rent, rates and taxes and electricity	8,315.85	7,490.86
Repair and maintenance	5,748.11	2,346.49
Communication cost	15,501.38	19,196.87
Brokerage	388.76	503.28
Printing & stationery	6,262.85	4,134.26
Advertising and Publicity	22,328.77	25,514.84
Director's fees, allowances and expenses	1,871.48	1,738.87
Auditor's fees and expenses		
- Audit fees	750.00	750.00
- Other services	125.00	125.00
- Tax audit fees	75.00	75.00
- Reimbursement of expenses	6.70	6.60
Legal and Professional fees	32,593.83	41,156.99
Insurance	3,305.94	5,693.90
RTA expenses	6,586.26	9,077.77
Computer and software expenses	1,01,431.63	81,203.12
Fund accounting charges	11,080.44	7,612.00
Outsourced staff cost	42,618.90	40,115.44
Travelling & conveyance	19,363.65	20,190.64
Registration Fees	1,110.04	3,118.50
Other operating expenses	6,522.70	7,906.73
	2,85,987.28	2,77,957.16

24 Leases

This note provides the information for lease and right of use assets where the company is a lessee.

Following are the changes in the carrying value of right of use assets:

(₹ in '000)

Particulars	As at Mar 31,	
	2024	2023
Lease Asset		
Gross Carrying amount		
Opening gross carrying amount	2,32,585.39	1,81,069.60
Additions	36,811.38	55,950.01
Disposals & transfers	(9,719.53)	(4,434.22)
Closing gross carrying amount	**2,59,677.25**	**2,32,585.39**
Accumulated depreciation		
Opening accumulated depreciation	83,424.42	58,968.77
Depreciation charged	34,170.14	24,455.65
Disposals and transfers	-	-
Closing accumulated depreciation	**1,17,594.56**	**83,424.42**
Net	**1,42,082.68**	**1,49,160.97**

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation in the statement of profit and loss.

Present value is computed by weighted average incremental borrowing rate .

Following are the changes in the carrying value of Lease Liability:

(₹ in '000)

Particulars	As at Mar 31,	
	2024	2023
Lease liabilities:		
Balance as at beginning	1,48,419.46	1,23,026.29
Additions	35,906.83	55,077.48
Finance cost accrued during the period	15,590.55	15,699.25
Deletions	(9,941.60)	(5,192.31)
Less: Payment of lease liabilities	(41,079.90)	(40,191.25)
Balance as at end	**1,48,895.35**	**1,48,419.46**

(₹ in '000)

Particulars	As at Mar 31,	
	2024	2023
Less than one year	28,882.60	24,388.86
One to five years	82,701.04	87,330.47
More than five years	37,311.72	36,700.13
Total	**1,48,895.35**	**1,48,419.46**

25 Related party disclosures

i) Related parties:

Group Companies:
Life Insurance Corporation of India (LIC)
LIC Housing Finance Limited

Key Management Personnel (KMP):
R. K. Jha, Chief Executive Officer (From 31st Jan, 2024)
T. S. Ramakrishnan, Chief Executive Officer (up to 28th Dec, 2023)
Mayank Arora, Chief Compliance, Financial Officer & Company Secretary

Kailash Bang, Independent Director
Praveen Garg, Independent Director
Raghunandan Maluste, Independent Director
Reema Diddee, Independent Director
Sanjay Muthal, Independent Director
Satish K Kamat, Independent Director
Vijay Sharma, Independent Director

ii) The related party transaction are as under :

(₹ in '000)

Particulars	2023-24	2022-23
Life Insurance Corporation of India (LIC)		
Transactions:		
Rent, rates and taxes & other operating expenses	30,631.99	34,213.70
Contribution to provident and other funds	452.10	269.23
Gratuity	298.32	173.61
Insurance expenses	2,781.44	2,784.64
Issue of Equity Shares	4,97,394.22	-
Receivables and deposits:		
Advances recoverable in cash or kind	8,370.54	8,548.95
LIC Housing Finance Limited		
Transactions:		
Issue of Equity Shares	2,16,140.59	-
Key Management Personnel (KMP)		
Transactions:		
Remuneration#	15,517.87	12,310.75
Independent Directors of AMC		
Sitting fees to Independent Directors	1,480.00	1,110.00

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.

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

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Contingent liabilities		
Claims against the Company, not acknowledged as debts	88,799.79	81,027.04
Commitments		
Estimated amount of unexecuted capital contracts (net of advance and deposit)		-

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.

* Includes Rs 74,568.40 towards LIC Mutual Fund Unit Linked Insurance Scheme (LIC MF ULIS), which is a unique scheme introduced by LIC Mutual Fund prior to SEBI (Mutual Fund) Regulations came into effect. This scheme offers Life Insurance Cover, Accident Cover & Maturity & Loyalty Bonus to the investors. This scheme has been there since last more than 28 years. The scheme offers 5, 10 & 15 years terms with an option of installment payments ie. monthly & yearly frequency In order to keep the eligibility of maturity bonus intact, the investor has to pay all the installments on time i.e., within days of grace as stipulated. If the investor discontinues before the maturity of the term by way of full or part redemption, or on account of death, the maturity/loyalty bonus stands forfeited.

In order to assess the maturity/loyalty bonus liability, an actuarial valuation is done as of Mar 24. As per the actuarial report, the value of the liability is estimated at Rs. 124,648.54 as of Mar 24. In LIC MF ULIS Scheme books, a provision of Rs. 50,080.14 is available as of Mar 24. Since there is a gap between the actuarial stated liability and the provision available in the LICMF ULIS Scheme books to the extent of Rs.74,568.40, a contingent liability of Rs.74,568.40 is disclosed.

27 Fair Value measurements

(₹ in '000)

Particulars	As at Mar 31, 2024			As at Mar 31, 2023		
	FVTPL	**Amortised cost**	**OCI**	**FVTPL**	**Amortised cost**	**OCI**
Financial Assets						
Cash & Cash Equivalents	-	44,906.57	-	-	34,043.94	-
Bank balance other than Cash and cash equivalents	-	-	-	-	-	-
Trade Receivables	-	34,760.58	-	-	60,494.52	-
Investments	13,05,051.04	-	16,439.04	9,48,059.54	-	16,906.54
Other financial assets	-	10,252.28	-	-	7,066.53	-
	13,05,051.04	**89,919.43**	**16,439.04**	**9,48,059.54**	**1,01,604.99**	**16,906.54**
Financial liabilities						
Trade payables	-	3,822.18	-	-	224.73	-
Other financial liabilities	-	1,48,895.35	-	-	1,51,070.85	-
	-	**1,52,717.53**	**-**	**-**	**1,51,295.58**	**-**

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimate made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian Accounting standard. An explanation of each level is given below.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. For example: listed equity instruments that have quoted market price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, units of mutual fund) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:
The fair values for investment in mutual fund are based on the Net Asset Value ("NAV") declared by respective schemes and fair value of security deposits are based on discounted cash flows using a discount rate.
The carrying amounts of cash and cash equivalent, Bank balances other than cash and cash equivalents, trade receivables, unquoted mutual fund units, other financial assets, trade payables, other financial liabilities are considered to be approximately equal to the fair value.

III. Valuation Process

The finance department performs the calculations of financial assets and liabilities required for financial reporting purposes. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the finance team at least once in a month.
Quoted mutual fund investment have been categorised into level 1 (recurring fair value measurement) and unquoted mutual fund investments are categorised into level 2 of fair value hierarchy.

IV. Fair value of financial instrument measured at amortised cost

Fair value of Financial asset and liabilities are equal to their carrying amount.

Note :
During the periods mentioned above, there have been no transfer amongst the levels of hierarchy.

28 Financial risk management

The Company is exposed primarily to credit, liquidity and price risk which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by Board of Directors. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Company.

The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, cash and cash equivalents, bank balance other than cash and cash equivalents that are derived directly from its operations and investments.

A. Credit Risk

The Company is exposed to credit risk front its operating activities (primarily for trade receivables).

To manage credit risk, the Company follows a policy of providing 0-90 days credit to the customers basis the nature of customers. The credit limit policy is established considering the current economic trends of the industry in which the company is operating.

However, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly.

Bank balances are held with only high rated banks.

Age of receivables that are past due:

(₹ in '000)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Upto 3 months	34,760.58	59,477.44
3-6 months	-	913.55
6-12 months	-	103.53
More than 12 months	-	-
Total	**34,760.58**	**60,494.52**
Provisions for expected credit loss	-	-

B. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities viz. Trade payables, other financial liabilities.

Liquidity risk management

The Company's management is responsible for liquidity and funding as well as settlement management. In addition, process and policies related to such risks are overseen by management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows:

i) Maturities of non-derivative financial instruments

As at Mar 31, 2024

(₹ in '000)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payable	3,822.18	-	-	3,822.18
Lease liabilities	28,882.60	82,701.04	37,311.72	1,48,895.35
Total	**32,704.78**	**82,701.04**	**37,311.72**	**1,52,717.53**

As at Mar 31, 2023

(₹ in '000)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Financial Liabilities				
Trade payable	224.73	-	-	224.73
Lease liabilities	24,388.86	98,251.06	25,779.54	1,48,419.46
Total	**24,613.59**	**98,251.06**	**25,779.54**	**1,48,644.20**

C. Market Risk

Market risk is the risk that the fairvalue of future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk comprises of foreign currency risk, interest rate risk and price risk.

i) Foreign currency risk

The company does not have exposure in foreign currency, hence it is not subjected to foreign curreny risk

ii) Interest rate risk

Interest rate risk arises from the sensitivity of the financial liabilities to changes in market rate of interest.

The company carries the financial liabilities at amortised cost, hence are not subject to interest rate risk since the carrying amount and future cash flows will not fluctuate because of change in market interest rate.

iii) Price risk

The company is exposed to price risk from its investment in mutual funds, classified in the balance sheet at fair value through profit and loss.

The investments held by the company are ancialliary to the investment management business objective.

Sensitivity to price risk

The following table summarises the impact of sensitivity of NAVs with all other variables held constant. The below impact on the companies profit befor tax is based on changes in the NAVs of mutual funds at balance sheet date.

(₹ in '000)

Sensitivity to price risk	**As at Mar 31,**	
	2024	**2023**
Impact on profit before tax for 5% increase in NAV	66,074.50	48,248.30
Impact on profit before tax for 5% decrease in NAV	(66,074.50)	(48,248.30)

29 Revenue from contracts with customers

a. Disaggregation of revenue

Set out below is the disaggregation of revenue from contracts with customers and reconciliation to profit and loss account:

(₹ in '000)

Particulars	Type of Service	
	Investment management fees	**Portfolio management fees**
Total Revenue from contracts with customers	**8,17,528.79**	**7,060.45**
Geographical Markets		
India	8,17,528.79	7,060.45
Outside India	-	-
Total Revenue from contracts with customers	**8,17,528.79**	**7,060.45**
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	8,17,528.79	7,060.45
Total Revenue from contracts with customers	**8,17,528.79**	**7,060.45**

b. Contract balances

Trade receivable are non-interest bearing balances having credit period of 0-90 days.

(₹ in '000)

Balance	**As at Mar 31,**	
	2024	**2023**
Trade receivable		
Investment management fees	34,760.58	54,825.96
Portfolio managements fees	-	5,668.56

c. Contract liabilities

There are no contract liabilities

d. Contract cost

There are no contract cost

e. Performance obligations

The performance obligation of the company is to provide investment asset management and portfolio management services. The performance obligation of Company is satisfied over a period of time and payment is due within 0-90 days.

f. Winding up of PMS operations

The Company was carrying operations under two verticals- Mutual Fund & Portfolio Management Services (PMS). Both the activities requires registration with SEBI. The Board of Directors of the Company has decided to wind up the PMS operations, accordingly PMS vertical was wound up during the year under review.

LIC Mutual Fund Asset Management Limited

Notes to Financial Statements for the year ended March 31, 2024

30 Maturity Analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in '000)

	As at Mar 31, 2024			As at Mar 31, 2023		
Particulars	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Assets						
Financial assets						
Cash and cash equivalents	44,906.57	-	44,906.57	34,043.94	-	34,043.94
Bank balance other than cash and cash equivalents	-	-	-	-	-	-
Trade receivables	34,760.58	-	34,760.58	60,494.52	-	60,494.52
Investments	6,93,886.04	6,27,604.04	13,21,490.08	6,89,296.45	2,75,669.63	9,64,966.08
Other financial assets	9,935.83	316.45	10,252.28	6,750.08	316.45	7,066.53
Non-Financial assets						
Current tax assets (net)	-	74,825.01	74,825.01	-	1,00,094.37	1,00,094.37
Property, plant and equipment	-	1,74,195.13	1,74,195.13	-	1,82,844.06	1,82,844.06
Intangible assets	-	8,08,787.92	8,08,787.92	-	3,453.59	3,453.59
Other non – financial assets	17,201.77	2,08,891.99	2,26,093.76	37,253.57	58,024.36	95,277.93
Total Assets	**8,00,690.79**	**18,94,620.54**	**26,95,311.33**	**8,27,838.57**	**6,20,402.46**	**14,48,241.02**
Liabilities						
Financial Liabilities						
Trade payable	3,822.18	-	3,822.18	224.73	-	224.73
Other financial liabilities	28,882.59	1,20,012.75	1,48,895.35	27,040.26	1,24,030.59	1,51,070.85
Non Financial Liabilities						
Provisions	69,754.15	9,640.82	79,394.97	58,694.67	3,705.17	62,399.84
Other non financial liabilities	3,190.67	-	3,190.67	2,922.83	-	2,922.83
Total Liabilities	**1,05,649.59**	**1,29,653.58**	**2,35,303.16**	**88,882.49**	**1,27,735.76**	**2,16,618.25**

31 Ratios

(₹ in '000)

Ratios	Numerator	Denominator	As at Mar 31, 2024	% Variance
(a) capital to risk weighted assets ratio (CRAR)*	-	-	-	-
(b) Tier I CRAR*	-	-	-	-
(c) Tier II CRAR*	-	-	-	-
(d) Liquidity Coverage Ratio (no.of times) [Total Financial Assets (within 12 months)/Total Liabilities (within 12 months)] This has increased as Financial asset balances and specifically, investments which are maturing within 12 months from the reporting date including new purchases, have changed.	7,83,489.02	1,05,649.59	7.42	-16.63%

Ratios	Numerator	Denominator	As at Mar 31, 2023	% Variance
(a) capital to risk weighted assets ratio (CRAR)*	-	-	-	-
(b) Tier I CRAR*	-	-	-	-
(c) Tier II CRAR*	-	-	-	-
(d) Liquidity Coverage Ratio (no.of times) [Total Financial Assets (within 12 months)/Total Liabilities (within 12 months)] This has increased as Financial asset balances and specifically, investments which are maturing within 12 months from the reporting date including new purchases, have changed.	7,90,584.99	88,882.49	8.89	-27.04%

*Note: Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Company.

32 Income tax

Tax components of income tax expense

(₹ in '000)

Particulars	Year ended Mar 31,	
	2024	2023
Current tax expense	-	-
Adjustments for current tax of prior period	-	-
MAT credit entitlement	-	-
Total tax expense	-	-

Reconciliation of total tax charge

(₹ in '000)

Particulars	Year ended Mar 31,	
	2024	2023
Profit before tax	1,09,756.13	12,233.86
Tax rate	25.17%	25.17%
Tax as per above rate	27,625.62	3,079.26
Effect of:		
Non deductable expenses	(32,858.27)	772.88
Income not subject to tax	(20,213.74)	(7,466.07)
Provisions for expenses write back	12,381.35	(4,420.27)
Brought forward unabsorbed depreciation	-	-
Current income tax of prior year	-	-
Current year tax as per income tax provisions	13,065.04	8,034.20
Tax charge for current year recorded in Profit & Loss Account	-	-

Deferred tax assets / (liabilities)

(₹ in '000)

Particulars	As at Mar 31,	
	2024	2023
Deferred tax assets attrubutable to		
Property, Plant & Equipment	(30,629.13)	3,831.26
Provision for gratuity	2,426.60	-
Provision for expenses	14,342.52	4,302.59
Lease accounting	1,714.75	(186.64)
Unabsorbed Depreciation	17,103.54	
Brought forward business loss	3,852.48	
Deferred tax assets	**8,810.77**	**7,947.21**
Deferred tax liability attrubutable to		
Financial assets measured at FVTPL	(8,928.44)	(7,099.94)
Financial assets measured at OCI	117.67	-
Provision for gratuity		148.15
Deferred tax liability	**(8,810.77)**	**(6,951.79)**
Deferred tax asset / (liability)	**-**	**995.42**
Less: Brought forward unabsorbed depreciation	-	-
Total Deferred tax asset / (liability)	**-**	**995.42**

Movement in deferred tax assets / (liabilities)

(₹ in '000)

Particulars	Opening	Movement for the period 2023-24		Closing
		Recognised in profit or loss	Recognised in OCI	
Property, Plant & Equipment	3,831.26	(34,460.38)		(30,629.13)
Provision for gratuity	148.15	2,278.44		2,426.60
Provision for expenses	4,302.59	10,039.93		14,342.52
Lease accounting	(186.64)	1,901.39		1,714.75
Financial assets measured at FVTPL	(7,099.94)	(1,828.49)	117.67	(8,810.77)
Unabsorbed Depreciation	-	17,103.54		17,103.54
Brought forward business loss	-	3,852.48		3,852.48
Total Deferred tax asset / (liability)	**995.42**	**(1,113.09)**	**117.67**	**0.00**

(₹ in '000)

Particulars	Opening	Movement for the period 2022-23		Closing
		Recognised in profit or loss	Recognised in OCI	
Property, Plant & Equipment	4,312.11	(480.86)	-	3,831.26
Provision for gratuity	-	148.15	-	148.15
Provision for expenses	3,503.95	798.64	-	4,302.59
Lease accounting	1,286.84	(1,473.47)	-	(186.64)
Financial assets measured at FVTPL	(9,041.82)	1,941.88	-	(7,099.94)
Total Deferred tax asset / (liability)	**61.08**	**934.34**	**-**	**995.42**

The Company has evaluated the Deferred Tax Asset and Deferred Tax Liability on the eligible components as required under Ind AS 12 – Taxes on income. The net outcome is coming to Deferred Tax Asset. Currently the Company has huge unabsorbed depreciation and carry forward losses under the Income tax laws. The Company has assessed the future position and is convinced to have a reasonable certainty of realizing the accumulated loss in future. However, the Company decided that it would be prudent that the net Deferred Tax Asset should not be recognized in the current year.
Currently, in the above schedule prepared for FY 2023-24, deferred tax asset on brought forward business loss and brought forward unabsorbed depreciation is considered to the extent of deferred tax liability. Therefore, based on above calculation, Deferred Tax Asset / (Liability) is nil.

33 Capital Management

A. Risk management

The Company's objectives when managing capital are to
i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and
ii) maintain an optimal capital structure to reduce the cost of capital.

B. The capital compositions is as follows:

(₹ in '000)

Particulars	As at Mar 31,	
	2024	2023
Total debt (A)	-	-
Total equity (B)	24,60,008.16	12,31,622.77

C. Net debt reconciliation

The company has not borrowed funds.

34 Proposed dividend

The Board of Directors propose dividend at the rate of 10% for the FY 2023-24, subject to shareholder's approval.

35 Segment reporting

Company is operating under single business segment i.e. investment management and portfolio management services. Accordingly there is no separate reportable segment and hence no disclosure is made under Indian Accounting Standard 108 - Operating Segment Reporting. Further, segmentation based on geography has not been presented as the company operates only in India.

The Company was carrying operations under two verticals- Mutual Fund & Portfolio Management Services (PMS). Both the activities requires registration with SEBI. The Board of Directors of the Company has decided to wind up the PMS operations, accordingly PMS vertical was wound up during the year under review.

36 Corporate social responsibility

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable since the Company doesn't fulfill the criteria as specified under provisions of Section 135 of the Companies Act, 2013.

37 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

38 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall;
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

39 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall;
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

40 In previous year, there was an instance of fraudulent encashment of units held by the investors in four folios of LIC Mutual Fund to the tune of Rs 11,662.88. LIC Mutual Fund Asset Management Limited is the Investment Managers to LIC Mutual Fund. The matter is under police investigation. Keeping in mind the fiduciary responsibility, the Company has settled the matter with the impacted investor by way of insurance claim under IMI policy/recovery from RTA. The residual amount over insurance claim settlement/recovery from RTA ie. Rs 1,750.00 paid by the Company is recoverable, pending legal proceedings.

41 Legacy unclaimed brokeage amount of Rs 24,504.58 is written back during financial year 2022-23. Future claims if any, shall be examined and settled as appropriate.

42 LIC Mutual Fund has acquired the Schemes of IDBI Mutual Fund and accordingly IDBI Mutual Fund Schemes have been transferred to LIC Mutual Fund with effect from July 29, 2023.

Transfer of Schemes of IDBI Mutual Fund: LIC Mutual Fund Schemes ("LIC MF Schemes") operated by LIC Mutual Fund Asset Management Limited ("LIC AMC"), and LIC Mutual Fund Trustee Private Limited ("LIC Trustee"), the asset management company, and trustee company, respectively, of LIC Mutual Fund ("LIC MF"), have inter alia, entered into a Scheme Transfer Agreement dated December 29, 2022 with IDBI Asset Management Limited ("IDBI AMC") and IDBI MF Trustee Company Limited ("IDBI Trustee"), the asset management company and trustee company, respectively, of IDBI Mutual Fund ("IDBI MF") ("Agreement") in terms of which LIC Trustee have taken over the trusteeship of all the Schemes of IDBI MF ("IDBI MF Schemes") from IDBI Trustee, and LIC AMC have taken over the rights to manage, operate and administer all the IDBI MF Schemes from IDBI AMC. The said transaction was also approved by the respective Board of Directors of IDBI AMC and IDBI Trustee and the respective Board of Directors of LIC AMC and LIC Trustee.

Consideration of Rs 8,88,100 + GST was paid by LIC AMC to IDBI AMC for acquiring rights to manage the schemes acquired by LIC Mutual Fund from IDBI Mutual Fund. The same is recognised as 'Rights to Manage AUM' under intangible assets and shall be amortised over a period of 7 years.

43 Additional Regulatory Information

(i) Title deeds of immovable properties not held in name of the company

The Company does not have immovable property in the name of the company.

(ii) Revaluation of Investment Property

The Company does not have property in the name of the company . Hence this point is not applicable.

(iii) Revaluation of Property, Plant and Equipment

There have been no revaluation of Plant, Property and Equipment during the current year.

(iv) Revaluation of Intangible Assets

There have been no revaluation of Intangible Assets during the current year.

(v) Loans or Advances

The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, direnors, KMPs, related parties; which are repayable on demand or where the agreement does not specify any terms or period of repayment.

vi) Capital Work-in-Progress (CWIP) ageing schedule / completion schedule

The Company does not have any capital work in progress.

(vii) Intangible assets under development ageing schedule / completion schedule

The Company does not have any intangible asset under development.

(viii) Details of Benami Property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ix) Security of current assets against borrowings

The Company does not have borrowings.

(x) Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(xi) Relationship with Struck off Companies

The Company has not entered into any transaction with Struck off Companies.

(xii) Registration of charges or satisfaction with Registrar of Companies (ROC)

No satisfaction of charges are pending to be filed with ROC.

(xiii) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(xv) Compliance with approved Scheme(s) of Arrangements

The Company has not entered into any scheme of arrangement which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

(xvi) Disclosure in relation to undisclosed income

There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(xvii) Details of Crypto currency or Virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

44 The previous period figures have been regrouped and re-casted wherever necessary.

For V. C. Shah & Co.
Chartered Accountants
Firm Registration No : 109818W

Sd/-
Viral J. Shah
Partner
Membership No.: 110120

For and on behalf of Board of Directors

Sd/-
Siddhartha Mohanty
Director
DIN: 08058830

Sd/-
R. K. Jha
Managing Director &
Chief Executive Officer
DIN: 10446712

Place : Mumbai
Date : 23rd April, 2024

Sd/-
Mayank Arora
Chief Financial Officer and Company Secretary