

FOR PRIVATE CIRCULATION ONLY



ABRIDGED ANNUAL REPORT

FY 2017-18

LIC MF Interval Fund

Monthly Plan-Series 1

(The Scheme was wound up on November 27, 2017 as per notice-cum-addendum No.28 of 2017-18)

INVESTMENT MANAGER: LIC MUTUAL FUND ASSET MANAGEMENT LTD.

Corporate Office : Industrial Assurance Building, 4th Floor,
Opp. Churchgate Station, Mumbai - 400 020. Tel.: 022-6601 6000
Toll Free No. : 1800 258 5678, Fax : 022-22843660
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LIC MF INTERVAL FUND MONTHLY PLAN-SERIES 1

TRUSTEE REPORT

The Board of Directors of LIC Mutual Fund Trustee Private Ltd. are pleased to present its Report on the operations of LIC Mutual Fund for the Financial Year 2017-18

Brief Background of Sponsors, Trust, Trustee Co. and AMC

LIC of India, the Sponsor and the Settler of LIC Mutual Fund has entrusted a sum of Rs.2 crore to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

LIC Mutual Fund has been constituted as a trust on April 20, 1989 in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) with LIC of India as the Sponsor and the LIC Mutual Fund Trustee Private Ltd. as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908. The Mutual Fund was registered with SEBI on May 09, 1994 vide Registration Code No. MF/012/94/5, which was issued afresh by SEBI in the name of LIC Nomura Mutual Fund on April 04, 2011 under Registration Code. MF/012/94/5 and then subsequently in the name of LIC Mutual Fund on May 12, 2016 under the same registration code.

LIC Mutual Fund Trustee Private Ltd., through its Board of Directors, discharges its obligations as trustee of LIC Mutual Fund. The Trustee is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unit holders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Trustee seeks to ensure that the Fund and the Schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies

LIC Mutual Fund Asset Management Ltd. is a public limited company incorporated under the Companies Act, 1956 on April 20, 1994, having its Registered Office at 4th Floor, Industrial Assurance Building, Opp. Churchgate Station, Mumbai – 400 020. It has been appointed as the Asset Management Company of LIC Mutual Fund by the Trustee vide Investment Management Agreement (IMA) dated April 22, 1994.

Investment objective of the scheme

The investment objective of the Scheme is to generate income and growth of capital by investing in debt securities and money market instruments. However there is no assurance that investment objective of the scheme will be met.

Performance of LIC MF Interval Fund Monthly Plan - Series 1

Plan Name & Option	Allotment Date	Maturity Date	CAGR (%)	
			Since Inception	
			Scheme	Benchmark*
Direct Growth	02-Jan-13	27-Nov-17	7.51	8.15
Regular Growth	09-May-08	27-Nov-17	7.77	7.56

* CRISIL Liquid Fund Index,

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

The performance of the scheme is benchmarked to the Total Return variant of the Index.

Equity Market FY 2017-18

FY 2017-18 was characterized by disruptive reforms/initiatives like Goods and Service Tax (GST) coupled with lingering impact of demonetization in FY17, which took a toll on both macro and micro growth. While the government managed to implement GST, touted as the single biggest taxation reform in the country, the impact was felt across sectors and translated into the lowest quarterly GDP growth. However, with the impact of demonetization now behind and GST related issues gradually settling down, the macros appear to have bottomed out. Another major reform aimed at cutting down on the long-drawn framework for

resolving insolvencies without offering an economically viable arrangement, the Insolvency and Bankruptcy Code 2016 (IBC) came into effect this year. The Code provides for initiation of a formal insolvency resolution process (IRP) for businesses, either by coming up with a viable survival mechanism or by ensuring their speedy liquidation. Among the larger NPLs (Non-Performing Loans) referred under IBC by Reserve Bank of India (RBI) to National Company Law Tribunal (NCLT) for resolution, first list of accounts have received active interest from bidders with some of the reported bids entailing significantly lower haircuts than expected. In October 2017, Finance Ministry announced a mega Rs. 2.11 lakh crore recapitalization plan for PSU banks over the next two years. Capital infusion was long-standing demands of the state-owned banks, as the asset qualities of these banks had worsened due to increasing non-performing assets. Industrial capex in India has been subdued over the past 5-6 years, as reflected in weak capex spends by Indian companies, corroborated by weak orders for equipment suppliers and muted industrial credit growth. However, capex by consumer-oriented sectors has remained largely uninterrupted. Capex spend by the private sector has been an Achilles' heel, impacting investments in the economy. Leveraged balance sheets, low capacity utilization and several macro disruptions in the economy impacted the private investment cycle. Net investments by FIIs was down from Rs 56,123cr (US\$8.5bn) in FY17 to Rs.24,496cr (US\$3.8bn) in FY18 whereas net investments by DIIs increased from Rs.36,482cr (US\$5.4bn) in FY17 to Rs.1,28,645cr (US\$20bn). Fund flow going forward would depend on the global interest rate scenario.

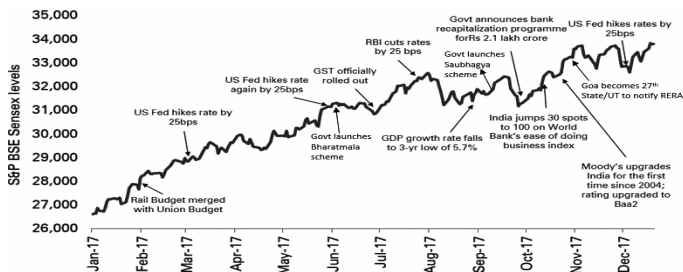
Equity Market Outlook FY 2018-19

The improvement in India's macroeconomic position in FY 2015 to 2017 and the loose monetary policies of the global central banks in terms of low policy rates and various rounds of QE probably sustained valuations despite significant earnings disappointments over the same period. Globally US Federal Reserve continue to raise interest rates. The repercussions of US policy tightening; a steeper US interest rate trajectory and stronger US currency poses upward pressure on the cost of servicing external debt and an upside to domestic interest rates amid weakening domestic currency. The performance of the Indian market would depend on earnings, macroeconomic situation and political environment. Earnings growth in FY17 and FY18 has been very narrow predominately led by few sectors. Going forward, we expect financials to make a comeback as asset quality issues bottom out and provisioning pressure fades off. Improving GDP/IIP trends, auto monthly sales numbers and fuel consumption data are all pointing toward a gradual demand pick-up. We are seeing some early signs of pick-up in industrial capex. However, India's macroeconomic position may be under pressure at high levels of oil prices. These could have repercussions on India's twin deficits (Fiscal and Current Account Deficit) for FY19 and inflation. India growth story has a long way to go; consumption led demand from both rural and urban pockets are going to drive the consumption and discretionary spends. The financialization and formalization of the economy has created ample opportunities. In addition to the credit growth, a shift from public sector banks to private sector player backed by visionary management is very much evident.

Debt Market FY 2017-18

The fiscal year 2017-18 was an eventful year when it comes to reforms with the successful implementation of GST, RERA, Progress on cases referred to National Company Law Tribunal (NCLT) among others. However, for the Indian debt market 2017-18 has been a tough year marked with a declining trend of yields in the first half followed by a sharp rise in yields in the second half. The rise in yields was due to concerns arising over fear of fiscal slippage, rising international crude oil prices, higher US bond yields and OMO (open market operation) sales by RBI.

Eventful year of 2017-18



The 10-year benchmark yield for GSec (7.17% Gol 2028) closed at 7.40% upwards of 71 bps from 2017-18. In the first half, the yields declined by nearly 12 bps due to excess liquidity in the banking system. However, in the second half the yields rose by 92 bps from 6.48% to 7.40% at end Mar'18 following concerns over increasing inflation rates, government's announcement of additional borrowings leading to expectations of fiscal slippages, widening trade deficit as well as easing liquidity conditions in the market coupled with decline in demand from banks who have been faced with mark-to-market losses. The huge surplus of liquidity built up post demonetization reduced substantially during the year 2017-18. Overnight rate ended 2017-18 at 9.39% as against 7.37% in 2016-17. The repo and reverse repo auctions undertaken by the RBI was lower than that in 2016-17 by 44% & 33% respectively. The average retail inflation CPI during 2017-18 was 3.60% as against 4.54% in 2016-17. CPI inflation began the year at 2.99% and bottomed out in Jun'17 at 1.46%. Since then CPI has increased to 4.58% YoY in Mar'18. Core CPI (excl. transport & communication, food & fuel) ranged between 4.12% to 5.4% during 2017-18. The government breached its fiscal deficit target of 3.2% of GDP but managed to meet its revised target of 3.53% for 2017-18. With crude oil prices ranging between \$75 and \$80 per barrel this year, current account deficit is expected to widen to 3% of GDP or \$80 billion during 2017-18. Brent crude rose 29% in 2017-18. Post July 2017, crude oil prices have been on the rise as the Organisation of Petroleum Exporting Countries (OPEC) cut oil production. Steel, Zinc and Copper were up 12-18% while Aluminum and Lead were up close to 2%. In last two years, Steel is up 53%, Zinc is up 80% and other metals are up 30-40%. Indian Rupee marginally depreciated by ~ 0.51% versus the USD during the fiscal year 2017-18 to close at 65.18 in March 2018 as against 64.85 in March 2017. FII's purchased close to US\$ 22.5 billion in Indian debt and equity markets in fiscal year 2017-18 as compared to inflow of ~US\$ 7.60 billion during fiscal year 2016-17. India's foreign exchange reserves hit a lifetime high of \$424.361 billion on March 30, 2018 while gold reserves remained stable at \$21.614 billion. In 2017-18, the central government borrowings stood at Rs. 5.88 lakh crore, 9% lower than the borrowings of 2016-17 at an average borrowing cost of 7.08% hitting a 7 year low. Despite the overall moderation in yields in 2017-18, the increase in yields between December-17 and February-18 saw RBI cancelling scheduled auctions of the government securities to the tune of Rs. 30,000 crore. State government borrowings aggregated Rs. 3.61 lakh crore in 2017-18 as against Rs. 3.82 lakh crore in 2016-17 at an average yield of 7.6%. Maharashtra borrowed the highest at Rs. 42,502 crore followed by Uttar Pradesh and Tamil Nadu. As of March 30, 2018, the aggregate bank deposits stood at Rs. 114.7 lakh crore, a growth of 6.7% against 15.3% in last year. The lower growth in deposits can be ascribed to the normalization in bank deposits following the demonetization led surge in bank deposits last year. The outstanding bank credit stood at Rs. 86.51 lakh crore as on March 30, 2018. Incremental credit growth for the 2017-18 improved to 10.3%, compared with the 8.2% in 2016-17. In 2017-18, the total corporate bonds aggregated to Rs. 6.44 lakh crore, which was 12% lower than the issuances in the previous fiscal. Banking, Financial services and housing accounted for 2/3rd of issuance. Out of the total issuances, Rs. 6.39 lakh crore were raised by way of private placements while the remaining were raised through public issues. There has been a substantial decline of 83% in public issues in 2017-18 compared with that in 2016-17 (Rs.29,547 crore). The yield on 10-year AAA-rated Corporate Bonds ended Mar18 at 8.14% as against 7.65% at the end of Mar17. Thus, corporate bond spreads ended the year at 60 bps as against 85 bps at the beginning of the year. In 2017-18, corporates issued commercial papers to the tune of Rs. 22.92 lakh crore, which is 22% higher than previous year at an 90 day yield of 6.93%. Yields however firmed up in the second half of 2017-18.

Debt Market Outlook

The CSO figures stated fourth quarter of 2017-18 recorded 7.7 % GDP growth, which is an eight-quarter high. Following this growth momentum, the overall GDP is now revised upwards to 6.7 per cent for 2017-18. RBI has estimated GDP growth of 7.4% and 7.7 % in 2018-19 and 2019-20 respectively vs 6.6% in 2017-18. In its April 2018 Credit Policy Review, RBI kept policy rate unchanged at 6% and continued to maintain neutral policy stance. On the positive note, RBI expects CPI inflation to be lower by 40 bps in H1 2018-19 at 4.7%-5.1% and by 15 bps lower in H2 FY 19 at 4.4%. We expect growth to further accelerate with improvement in capex in housing, urban infrastructure, defence and industrial capital expenditure led by oil & gas, metals, fertilizers etc. Capex in roads, railways, power transmission & distribution has already seen material improvement.

Operations of the schemes:

On March 31,2018, the fund house was managing 25 schemes (21 open ended & 4 Close ended). The AUM as of March 31,2018 was Rs. 14,855.61 crores whereas Average AUM for F.Y. 2017-18 was Rs. 18,452.62 crores. In pursuance of Para A titled "Treatment of Unclaimed Redemption and Dividend Amounts of SEBI Circular no. SEBI/HO/IMD/DF2/C/P/2016/37 dated February 25, 2016, effective from April 01,2016 we are maintaining a separate scheme for Unclaimed Redemption and Dividend amounts specifically for deploying the Unclaimed amounts. These Unclaimed amounts are deployed in Call Money Market or Money Market instruments and total expense ratio of the scheme is capped at 50bps.

Significant Accounting Policies:

Accounting policies are in accordance with Securities Exchange Board of India (Mutual Fund) Regulations 1996.

Unclaimed Dividends & Redemptions as on 31.03.2018

Unclaimed Dividends		Unclaimed Redemptions	
Amount (Rs.)	No. of Investor	Amount (Rs.)	No. of Investor
2,75,411.84	36	20,28,415.81	47

Proxy Voting:

The general voting policies and procedures of LIC Mutual Fund Asset Management Ltd. for the Schemes of LIC Mutual Fund and the actual exercise of votes in the general meetings of investee companies for F.Y.2017-18 and the Scrutinizer Certificate on Voting reports have been disclosed on our website (www.licmf.com) and in the full Annual Report for the F.Y.2017-18.

Investor Education & Awareness Initiative (IEAI):

An annual charge of 2 basis points (0.02% p.a.) of daily net assets, being part of total recurring expenses is set aside for Investor Education and Awareness Initiatives (IEAI) in accordance with SEBI (Mutual Funds) Regulations, 1996 and guidelines issued thereunder. These funds set aside are used only for meeting expenses for Investor Education and Awareness Initiatives. Further, in accordance with AMFI best practice guidelines circular no 135/BP/56/2015-16 dated April 20,2015, the cumulative balance of the IEAI is transferred on periodic basis to a separate bank account maintained for the purpose.

Statutory Information:

- The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution (to the extent contributed) of Rs. 2 crores for setting up the Fund, and such other accretions / additions to the same.
- The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- Full Annual Report shall be disclosed on the website (www.licmf.com) and shall be available for inspection at the Head Office of the mutual fund. Present and prospective unit holder can obtain copy of the trust deed, the full Annual Report of the Fund /AMC

For and on behalf of
LIC Mutual Fund Trustee Pvt .Ltd.
sd/-
Harish N Motiwalla
(Director)

Place: Mumbai
Date: July 27, 2018

REDRESSAL OF INVESTOR COMPLAINTS RECEIVED AGAINST LIC MUTUAL FUND FOR THE PERIOD 01- APRIL-2017 - 31-MARCH -2018												
TOTAL NO. OF FOLIOS AS ON 31- MARCH- 2018: 332415												
Complaint Code	Type of Complaint #	(a) No. of complaints pending at the beginning of FY 2017-2018.	Action on (a) and (b)									
			(b) No. of Complaints received during the FY2017-2018	Resolved			Non Actionable *	Pending				
Within 30 days	30-60 days	60-180 days		Beyond 180 days	0-3 months	3-6 months		6-9 months	9-12 months			
I A	Non receipt of Dividend on Units	0	0	0	0	0	0	0	0	0	0	0
I B	Interest on delayed payment of Dividend	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	0	2	2	0	0	0	0	0	0	0	0
I D	Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/ Unit Certificate	0	0	0	0	0	0	0	0	0	0	0
II B	Discrepancy in Statement of Account	0	0	0	0	0	0	0	0	0	0	0
II C	Data corrections in Investor details	0	0	0	0	0	0	0	0	0	0	0
II D	Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	0	4	0	3	1	0	0	0	0	0	0
	Others	0	13	8	3	2	0	0	0	0	0	0
	TOTAL	0	19	10	6	3	0	0	0	0	0	0

including against its authorized persons/distributors/employees.etc.

* Non actionable means the complaints that are incomplete/outside the scope of the mutual fund

This statement is reviewed and approved by the directors of LIC Mutual Fund Trustee Pvt. Ltd. in the Board meeting held on April 23,2018.

INDEPENDENT AUDITOR'S REPORT

To the Trustees of

LIC MUTUAL FUND

Report on the Financial Statements

We have audited the accompanying financial statements of the schemes mentioned below (collectively "the Schemes"), which comprise the balance sheets as at the dates mentioned below, the revenue accounts and cash flow statements, for the period as mentioned below, and a summary of significant accounting policies and other explanatory information.

- LIC MF Interval Fund Monthly Plan - Series 1

Management's Responsibility for the Financial Statements

Management of LIC Mutual Fund Asset Management Limited ("Company"), the scheme's asset manager, is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows, where applicable, of the Schemes in accordance with accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto ('the SEBI Regulations'). This responsibility also includes maintenance of adequate accounting records and the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Scheme's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the SEBI Regulations in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the balance sheets, of the state of affairs of the respective Schemes as at the dates mentioned above;
- in the case of the revenue accounts, of the surplus/(deficit), as applicable, of the respective Schemes for the period as mentioned above; and
- in the case of the cash flow statements of the cash flows for the period as mentioned above.

Report on Other Legal and Regulatory Requirements

- As required by Regulation 55(4) and clause 5(ii)(2) of the Eleventh Schedule of the Regulations, we report that:
 - We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - In our opinion, the balance sheets and revenue accounts dealt with by this report have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations; and
 - The balance sheets, revenue accounts and cash flow statements dealt with by this report are in agreement with the books of account of the scheme.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

sd/-

per Jayesh Gandhi

Partner

Membership Number: 37924

Place: Mumbai

Date: 27 July 2018

Independent Auditors' Report for
Winding up of Plans under LIC MF Interval Fund Monthly Plan - Series 1

The Board of Directors,
LIC Mutual Fund Trustee Private Limited
Industrial Assurance Building, 4th Floor,
Opp. Churchgate Station, Mumbai - 400 020
Mumbai - 400 020

Dear Sirs,

1. This Report is issued in accordance with the request received from LIC Mutual Fund ('the Fund') as per the email dated December 05, 2017.
2. We refer to the accompanying Statement of LIC MF Interval Fund Monthly Plan - Series 1 (the 'Statement'), in relation to submission of details required under regulation 41(3) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (the 'SEBI Regulations'), which has been initiated by us for identification purpose only.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of LIC MF Asset Management Limited (hereinafter the 'AMC'), including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the AMC is also responsible for ensuring the compliance with the conditions as prescribed by SEBI Regulations.

Auditor's Responsibility

5. Pursuant to the requirements of regulation 41(3) of the SEBI Regulations, it is our responsibility to provide limited assurance on whether the details mentioned in the Statement have been accurately extracted from the un-audited books of account and other relevant records and documents maintained by the Fund. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance. Consequently, the level of assurance obtained in a limited assurance is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our scope of work did not include verification of compliance with other requirements of the other circulars and notifications issued by regulatory authorities from time to time and any other laws and regulations applicable to the AMC or the Fund. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the



financial statements of the Company or the Fund, taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof for the purpose of this report. Accordingly, we do not express such an opinion.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.
8. A limited assurance engagement involves performing procedures to obtain sufficient and appropriate evidence on the reporting criteria mention in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in relation to the Statement:
 - i. We have obtained the unaudited financial information for the period from April 1, 2017 to November 27, 2017 for LIC MF Interval Fund Monthly Plan - Series 1 ('the Scheme') as certified by the management of the AMC, investment managers to the Schemes of LIC Mutual Fund (the 'Fund'). The financial information of the Scheme is not audited by us and is as certified by the AMC and has been relied upon by us for the purpose of this report;
 - ii. We have obtained a confirmation from the AMC that no expenses incurred towards winding up shall be borne by the Schemes;
 - iii. We have obtained a list of provisions made by the Fund for meeting the expenses connected with the said Schemes. We have verified the basis on which provisions are made;
 - iv. We have obtained
 - a. Net Assets outstanding as on November 27, 2017 for the Scheme; and
 - b. Number of units outstanding as on November 27, 2017 for the Scheme from the Registrar.
 - v. We have traced and agreed the net assets, number of units outstanding as on November 27, 2017 for the Scheme and Net Asset Value per unit to the details as mentioned in Annexure-1 of the Statement; and
 - vi. We have verified the arithmetic accuracy of the amounts mentioned in the Statement.

Opinion

9. Based on the information and explanations provided and procedures performed by us as stated in paragraph 8 above, nothing has come to our attention that causes us to believe that net assets number of units outstanding as on November 27, 2017 for the Scheme and Net Asset Value per unit to the details as mentioned in the Statement have not been correctly extracted from the unaudited books of account and other relevant records and documents maintained by the Fund.

Restriction on Use

10. This report is addressed to the Board of Directors of the AMC solely for the purpose of use by the management of the Company in relation to submission of details as required under regulation 41(3) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and is not to be used by any other person or for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. This report relates only to the items specified above and does not extend to any financial statements of the AMC or the Fund taken as a whole.

For S.R. Batliboi & Co. LLP
Firm Registration No. 301003E/E300005
Chartered Accountants



per Jayesh Gandhi
Partner
Membership No.37924
Mumbai, December 12, 2017



Annexure A

Statement of Net Assets of LIC MF Interval Fund Monthly Plan Series 1 as on 27th November, 2017.

	Net Assets (Rs.)	Units Outstanding	Net Asset Value per unit (Rs.)
Growth	83,031,618.91	4,061,188.084	20.4452
Dividend	25,815,663.22	2,576,355.520	10.0202
Direct Growth	5,590,703.71	272,055.266	20.5499
Direct Dividend	4,582,896.53	457,339.383	10.0208

For LIC Mutual Fund Asset Management Limited
(Investment Manager for LIC Mutual Fund)




Authorised Signatories

For Identification Purpose Only.



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

Industrial Assurance Building, 4th Floor,
Opp. Churchgate Station, Mumbai-400 020.

Board : +91 22 6601 6000
Fax : +91 22 2283 5606

Web : www.licmf.com
CIN : U67190MH1994PLC077858

ABRIDGED BALANCE SHEET AS AT 27TH NOVEMBER 2017

(Rs in Lakhs)

	2017-18	2016-17
LIABILITIES		
1 Unit Capital	736.70	1,121.38
2 Reserves & Surplus		
2.1 Unit Premium Reserve	-	-
2.2 Unrealised Appreciation Reserve	-	-
2.3 Other Reserves	453.52	705.93
3 Loans & Borrowings	-	-
4 Current Liabilities & Provisions		
4.1 Provision for doubtful Income/Deposits	-	-
4.2 Other Current Liabilities & Provisions	5.04	2.51
TOTAL	1,195.26	1,829.82
ASSETS		
1 Investments		
1.1 Listed Securities :		
1.1.1 Equity shares	-	-
1.1.2 Preference Shares	-	-
1.1.3 Equity Linked Debentures	-	-
1.1.4 Other Debentures & Bonds	-	-
1.1.5 Securitised Debt Securities	-	-
1.2 Securities Awaited Listing :		
1.2.1 Equity shares	-	-
1.2.2 Preference Shares	-	-
1.2.3 Equity Linked Debentures	-	-
1.2.4 Other Debentures & Bonds	-	-
1.2.5 Securitised Debt Securities	-	-
1.3 Unlisted Securities		
1.3.1 Equity shares	-	-
1.3.2 Preference Shares	-	-
1.3.3 Equity Linked Debentures	-	-
1.3.4 Other Debentures & Bonds	-	-
1.3.5 Securitised Debt Securities	-	-
1.4 Government Securities	-	-
1.5 Treasury Bills	-	-
1.6 Commercial Paper / Certificate of Deposit		
1.6.1 Commercial Paper	-	-
1.6.2 Certificate of Deposit	-	-
1.7 Bill Rediscounting	-	-
1.8 Units of Domestic Mutual Fund	-	-
1.9 Foreign Securities	-	-
Total Investments	-	-
2 Deposits		
3 Other Current Assets		
3.1 Cash & bank Balance	0.19	0.86
3.2 CBLO/reverse Repo Lending	1,194.61	1,828.42
3.3 Others	0.46	0.54
4 Deferred Revenue Expenditure (to the extent not written off)	-	-
TOTAL	1,195.26	1,829.82

**ABRIDGED REVENUE ACCOUNT
FOR THE YEAR/PERIOD ENDED 27TH NOVEMBER 2017**

(Rs in Lakhs)

	2017-18	2016-17
1 INCOME		
1.1 Dividend	-	-
1.2 Interest	64.69	129.69
1.3 Realised Gain/(Loss) on Foreign Exchange Transactions	-	-
1.4 Realised Gains/(Losses) on Interscheme sale of Investments	-	-
1.5 Realised Gains/(Losses) on External sale / redemption of Investments	-	-
1.6 Realised Gains/(Losses) on Derivative Transactions	-	-
1.7 Other Income	-	0.02
(A)	64.69	129.71
2 EXPENSES		
2.1 Management fees (incl Service Tax/GST)	3.20	1.51
2.3 Transfer agents fees and expenses	0.02	3.48
2.4 Custodian fees	-	0.24
2.5 Trusteeship fees (incl Service Tax/GST)	0.01	0.02
2.6 Commission to Agents	0.74	1.45
2.7 Marketing & Distribution expenses	-	-
2.8 Audit Fees	-	0.49
2.9 Other operating expenses	0.62	1.35
Total Expense	4.59	8.54
Less: Expenses to be Reimbursed by the Investment Manager	-	0.55
(B)	4.59	7.99
3 NET REALISED GAINS/(LOSSES) FOR THE YEAR (A-B = C)	60.10	121.72
4 Change in Unrealised Depreciation in value of Investments (D)	-	-
5 NET GAINS/(LOSSES) FOR THE YEAR (E = (C-D))	60.10	121.72
6 Change in unrealised appreciation in the value of investments (F)	-	-
7 NET SURPLUS/(DEFICIT) FOR THE YEAR (E+F = G)	60.10	121.72
7.1 Add : Balance transfer from unrealised appreciation reserve & Others	1.71	1.16
7.2 Less : Balance transfer to unrealised appreciation reserve & Others	-	-
7.3 Add / (Less) : Equalisation	-	-
8 Total	61.81	122.88
9 Dividend Appropriation		
9.1 Income Distributed during the year	10.11	18.93
9.2 Tax on Income distributed during the year	4.03	7.48
10 Retained Surplus/(Deficit) carried forward to Balance Sheet	47.67	96.47

NOTES TO ACCOUNT - ANNEXURE 1 TO THE ABRIDGED BALANCE SHEET AND REVENUE ACCOUNT FOR THE YEAR/ PERIOD ENDED 27th NOVEMBER 2017

(All amounts are in Rs. Lakhs unless otherwise stated)

1 Investments:-

- 1.1 All the Investments are held in the name of the scheme.
- 1.2 Open Position of derivatives(outstanding market value & % to Net Assets as of the Year end): NIL (Previous Year : NIL)
- 1.3 Investment in Sponsors and Group Companies: NIL (Previous Year : NIL)
- 1.4 Open position of Securities Borrowed and / Lend by the scheme : NIL (Previous Year : NIL)
- 1.5 Details of NPA: Aggregate market value and provision thereof: NIL (Previous Year : NIL)
- 1.6 Aggregate Unrealised Gain/loss as at the end of the Financial Year/ Period and percentage to net assets

Asset Class	FY2017-2018						FY2016-2017					
	Appreciation		Depreciation		Net Amount		Appreciation		Depreciation		Net Amount	
	Rs.in lakhs	% to net	Rs.in lakhs	% to net	Rs.in lakhs	% to net	Rs.in lakhs	% to net	Rs.in lakhs	% to net	Rs.in lakhs	% to net
Commercial Papers & Certificate of Deposits	-	-	-	-	-	-	-	-	-	-	-	-

1.7 Aggregate Value of Purchase and Sale with Percentage to average assets

FY2017-2018				FY2016-2017			
Purchase		Sale		Purchase		Sale	
Amount (Rs.in lakhs)	%	Amount (Rs.in lakhs)	%	Amount (Rs.in lakhs)	%	Amount (Rs.in lakhs)	%
-	-	-	-	14,938.10	707.63	14,983.00	709.76

1.8 Non traded Securities in the portfolio:

27th November 2017		31st March 2017	
Market Value (Rs in Lakhs)	% to Net Assets	Market Value (Rs in Lakhs)	% to Net Assets
-	-	-	-

- 2 Details of Payment made to Associates under regulations 25(8): NIL (Previous Year : NIL)
- 3 Large Holdings in the scheme (i.e. in excess of 25% of the net assets): NIL (Previous Year : NIL)
- 4 Unit Capital movement during the year ended/ period ended . Planwise details of movements in units- opening, subscription, redemption, closing.

Plans / Option	Face Value	Current Year No of Units in Lakhs				Previous Year No of Units in Lakhs			
		Opening balance as on 01.04.2017	Addition during the year	Deletion during the year	Closing Balance as on 27.11.2017	Opening balance as on 01.04.2016	Addition during the year	Deletion during the year	Closing Balance as on 31.03.2017
Regular Dividend	10	33.78	0.44	8.45	25.76	44.85	0.82	11.89	33.78
Regular Growth	10	58.72	-	18.11	40.61	95.82	0.26	37.36	58.72
Direct Dividend	10	6.07	0.04	1.54	4.57	18.76	0.21	12.90	6.07
Direct Growth	10	13.57	-	10.85	2.72	15.71	0.71	2.85	13.57

- 5 Expenses are inclusive of Service Tax / GST where applicable.
- 6 Previous year's figures have been regrouped/rearranged wherever necessary to correspond to current year's groupings
- 7 Contingent Liability. Provide details of nature and amount : NIL (Previous Year : NIL)
- 8 These Abridged Financials have been prepared based on the audited financials of the scheme.
- 9 Movement in IEAI balances for LIC Mutual fund during the financial year ended 27th November 2017 and 31 March, 2017 is given below

Particulars	Amount (Rs. in '000)	
	FY 2017-18	FY 2016-17
Opening balance	-	27
Additions during the current year **	44,970	39,745
Less : utilisation during the current year	44,970	39,772
Closing balance	-	-

** Amount includes Income earned on Mutual Fund Units

KEY STATISTICS FOR THE YEAR / PERIOD ENDED 27TH NOVEMBER 2017

	Current Year	Previous Year
1. NAV per unit (Rs.):		
Open		
Regular Dividend / Daily Dividend	10.0427	10.0182
Regular Growth	19.7266	18.6322
Weekly Dividend	-	-
Monthly Dividend	-	-
Quarterly Dividend	-	-
Yearly Dividend	-	-
PF Dividend	-	-
PF Growth	-	-
Direct Dividend	10.0440	10.0187
Direct Growth	19.8093	18.6789
Direct Weekly Dividend	-	-
Direct Monthly Dividend	-	-
Direct Quarterly Dividend	-	-
Direct Yearly Dividend	-	-
High		
Regular Dividend / Daily Dividend	10.0471	10.0495
Regular Growth	20.4452	19.7266
Weekly Dividend	-	-
Monthly Dividend	-	-
Quarterly Dividend	-	-
Yearly Dividend	-	-
PF Dividend	-	-
PF Growth	-	-
Direct Dividend	10.0484	10.0511
Direct Growth	20.5499	19.8093
Direct Weekly Dividend	-	-
Direct Monthly Dividend	-	-
Direct Quarterly Dividend	-	-
Direct Yearly Dividend	-	-
Low		
Regular Dividend / Daily Dividend	10.0000	10.0000
Regular Growth	19.7351	18.6467
Weekly Dividend	-	-
Monthly Dividend	-	-
Quarterly Dividend	-	-
Yearly Dividend	-	-
PF Dividend	-	-
PF Growth	-	-
Direct Dividend	10.0000	10.0000
Direct Growth	19.8181	18.6938
Direct Weekly Dividend	-	-
Direct Monthly Dividend	-	-
Direct Quarterly Dividend	-	-
Direct Yearly Dividend	-	-
End¹		
Regular Dividend / Daily Dividend	10.0202	10.0427

	Current Year	Previous Year
Regular Growth	20.4452	19.7266
Weekly Dividend	-	-
Monthly Dividend	-	-
Quarterly Dividend	-	-
Yearly Dividend	-	-
PF Dividend	-	-
PF Growth	-	-
Direct Dividend	10.0208	10.0440
Direct Growth	20.5499	19.8093
Direct Weekly Dividend	-	-
Direct Monthly Dividend	-	-
Direct Quarterly Dividend	-	-
Direct Yearly Dividend	-	-
2. Closing Assets Under Management (Rs. in Lakhs)		
End ¹	1,190.21	1,827.31
Average (AAuM) ²	1,671.11	2,111.01
3. Gross income as % of AAuM ³	5.86	6.14
4. Expense Ratio:		
a. Total Expense as % of AAuM (No Class)	0.42	0.38
b. Management Fee as % of AAuM (inclusive service tax/GST)(No Class)	0.29	0.07
5. Net Income as a percentage of AAuM ⁴	5.45	5.77
6. Portfolio turnover ratio ⁵	-	7.08
7. Total Dividend per unit distributed during the year / period (plan wise)		
DIVIDEND	0.38	0.54
DAILY	-	-
WEEKLY	-	-
MONTHLY	-	-
QUARTERLY	-	-
YEARLY	-	-
PF DIVIDEND	-	-
DIRECT DIVIDEND	0.39	0.56
DIRECT DAILY	-	-
DIRECT WEEKLY	-	-
DIRECT MONTHLY	-	-
DIRECT QUARTERLY	-	-
DIRECT YEARLY	-	-
8. Returns ^ :		
Since Inception		
Regular	7.77	7.93
Direct	7.51	7.78
Benchmark		
Regular	7.56	7.63
Direct	8.15	8.38

^ Benchmark : CRISIL Liquid Fund Index

^ The performance of The scheme is benchmarked to The Total Return variant of The Index.

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

1. The net asset value disclosed above represents the computed NAV as on balance sheet date, and not the last declared NAV.

2. AAuM=Average daily net assets

3. Gross income = amount against (A) in the Revenue account i.e. Income.

4. Net income = amount against (C) in the Revenue account i.e. NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD

5. Portfolio Turnover = Lower of sales or purchase divided by the Average AuM for the year/period.

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If underlivered please return to:
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Unit : LIC Mutual Fund
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