

*4th Annual Report*  
*2010 - 2011*



**You Save,  
We Secure Peaceful Retirement**



**LIC Pension Fund Ltd.**

## Board of Directors



**Shri D.K. Mehrotra**  
Chairman



**Shri Thomas Mathew T.**  
Director



**Shri Jagdish Capoor**  
Director



**Shri M.N. Singh**  
Director



**Smt. Bhavna G. Doshi**  
Director



**Shri V. Manickam**  
MD & CEO



LIC Pension Fund Ltd.

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# **Fourth Annual Report 2010-11**



**LIC Pension Fund Ltd.**

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LIC Pension Fund Ltd.

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**Banker to the Company**

HDFC Bank Ltd.  
Corporation Bank

**Statutory Auditors**

M/s. K. C. Jain & Co.

**Internal Auditors**

M/s. Haribhakti & Co.

**Company Secretary**

Shri. Avinash Abhyankar

**Registered & Corporate Office**

LIC Pension Fund Ltd.  
“Yogakshema”, East Wing, 7th Floor,  
Jeevan Bima Marg,  
Mumbai - 400 021.  
Tel : 022-22882871, Fax : 022 - 22822289  
E-mail : [licpensionfund@licindia.com](mailto:licpensionfund@licindia.com)  
Website : [www.licpensionfund.in](http://www.licpensionfund.in)

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## Contents

	Page No.
Directors' Report .....	1
About LIC Pension Fund Limited .....	6
Auditors' Report .....	12
Balance Sheet .....	16
Profit and Loss Account .....	17
Cash Flow Statement .....	18
Schedules forming part of Balance Sheet and Balance Sheet Abstract .....	19

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LIC Pension Fund Ltd.

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# **Fourth Annual Report 2010-11**

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## DIRECTORS' REPORT

**To the Members of  
LIC Pension Fund Ltd.,  
Mumbai.**

Your Directors' are pleased to present the fourth Annual Report together with the audited accounts for the year ended 31<sup>st</sup> March, 2011.

### Financial Performance

Summary of your company's financial performance is given below:

(Amt. in Rupees)

Sr. No.	Particulars	Year ended 31 <sup>st</sup> March	
		2011	2010
1.	Interest on fixed deposits	1,13,59,287	1,33,70,843
2.	Management fees	1,12,669	33,780
3.	Other Income	2,10,683	-
	Total (1+2+3)	<b>1,16,82,639</b>	<b>1,34,04,623</b>
4.	Management expenses	1,85,22,024	1,24,61,501
5.	Profit/(Loss) before Tax	(68,39,385)	9,43,122
6.	Provision for Tax	(24,77,003)	2,97,526
7.	Profit/(Loss) after tax	(43,62,382)	6,45,596
8.	Net Fixed Assets	14,87,382	34,88,975
9.	Cash and Bank balance	15,32,21,013	15,24,51,552
10.	Net Current Assets	14,57,31,387	15,02,07,625
11.	Amount due to sponsor (LIC of India)	1,66,37,235	1,24,95,294
12.	Paid up Capital	15,00,00,000	15,00,00,000

### Dividend

Presently, income from the Company's core business of fund management is very less, hence no dividend is recommended by your directors.

### Review of performance

The total income during the current financial year was ₹ 1,16,82,639/- as against ₹ 1,34,04,623/- in the previous financial year. There has been loss of ₹ 68,39,385/- in the current financial year as against profit of ₹ 9,43,122/- in the previous financial year. The Management fees on Assets under Management invested on behalf of NPS Trust was ₹ 1,12,669/- in the current financial year as compared to ₹ 33,780/- in the last financial year.



## Financial Highlights

LIC Pension Fund Ltd. was incorporated in 2007 but started managing investment of NPS funds from April 2008 and performed well during the last three years. For the year 2008-09, NPS Trust allocated only 5% of NPS assets to LIC Pension Fund Ltd. as against 40% to UTI Retirement Solutions Ltd. and 55% to SBI Pension Fund Ltd. This allocation was further increased in favour of LIC Pension Fund Ltd. in 2009-10 to 29% as against decline of UTI Retirement Solutions Ltd. to 31% and SBI Pension Fund Ltd. to 40%. For the year 2010-11, the allocations have seen yet another change and LIC Pension Fund Ltd. got 35% whereas SBI Pension Fund Limited got 33% and UTI Retirement Solutions Limited got 32%.

Accordingly during the year 2010-11, LIC Pension Fund Ltd. received an amount of ₹ 1044.60 crore. Out of ₹ 1044.60 crore, an amount of ₹ 773.39 crore was received for Central Government funds and ₹ 270.14 crore for State Government Funds.

During the year under report, Central Government has initiated a new scheme viz. 'NPS Lite Scheme – Govt. Pattern' and as on 31st March, 2011, Company has received a sum of ₹ 1.07 crore under the said scheme.

From 1st April 2009, the revised guidelines on Investment Pattern as intimated by NPS Trust have come into effect as detailed below:-

Sr. No.	Instruments	Prescribed limit
1	<b>Government Securities,</b> Govt. Securities (Central Govt.) & State Government	Upto 55%
2	<b>Corporate Bonds,</b> PSU Bonds, Private Corporate Debt, Fixed Deposit	Upto 40%
3	Money Market Instruments including Units of money market Mutual Funds	Upto 5%
4	Equity and Equity Mutual Funds	Upto 15%

**NAV of Central Government Scheme :** As on 31.03.2011, it was ₹ 13.3781 (as on 31.03.2010 it was ₹ 12.3524)

**NAV of State Government Scheme :** As on 31.03.2011, it was ₹ 11.7445. (as on 31.03.2010 it was ₹ 10.6027)

**NAV of NPS Lite Scheme -Govt. Pattern:** As on 31.03.2011, it was ₹ 10.4317. (operational during the year 2010-11)

In spite of small size of the fund, LIC Pension Fund Ltd. did well in terms of NAV.

The performance of investments function of debt oriented funds depends on size of the fund, investment

strategy, ability to forecast market movements etc. In spite of funds size of LIC Pension Fund Ltd., being small, we could register good performance due to our ability to forecast the market movements, size reallocation and futuristic strategy adopted by us.

### **Fixed Deposit**

Your company has not accepted any fixed deposit, and as such, no amount of principal or interest was outstanding as on the balance sheet date.

### **Directors**

During the year 2010-11, Shri V. Manickam was appointed as Managing Director and designated as Chief Executive Officer with effect from December 1, 2010 in place of Dr. H. Sadhak who retired on superannuation.

On June 28, 2011, Shri D. K Mehrotra, current -in-charge and Chairman of LIC of India has been appointed as a director of the Company and the board of directors elected him as Chairman of the board of the directors of the company.

We would like to place on record the contributions made by Shri T. S. Vijayan the - then Chairman of the Company and Dr. H. Sadhak the-then MD and CEO of the Company who were associated with the Company since inception.

Further pursuant to Section 255 and 256 of the Companies Act 1956 and Article 104 of the Articles of Association of the Company, Shri M. N. Singh will retire by rotation at the Annual General Meeting and being eligible offer himself for re-appointment.

### **Audit Committee**

The audit committee of the company consists of three Directors namely

<b>Shri Jagdish Capoor</b>	<b>Chairman</b>
<b>Shri Thomas Mathew T.</b>	<b>Member</b>
<b>Shri M.N. Singh</b>	<b>Member</b>

### **Auditors**

M/s. Khandelwal Jain & Co. Chartered Accountants, Mumbai, had been re-appointed as Statutory Auditors of the Company for the financial year 2010-11 at the 3rd AGM held on 20th July, 2010. They had given their consent accepting the above appointment vide their letter dated 02.08.2010.

Subsequently, the Statutory Auditors had tendered their resignation vide their letter dated 31.01.2011. Hence members of the company have appointed M/s. K.C. Jain & Co., Chartered Accountants, Mumbai, as Statutory Auditors to fill the casual vacancy caused by resignation of M/s. Khandelwal Jain & Co., Chartered Accountants, w. e. f. 08.03.2011 in the Extraordinary General Meeting, for the financial year 2010-11.



## **Organisational Structure of LIC Pension Fund Ltd**

Following PFRDA guidelines, LIC Pension Fund Ltd was set up as an independent company by LIC of India. The operation of LIC Pension fund Ltd. is carried out at its own corporate office by its own officials by creating a fire wall in operation between LIC Pension Fund Ltd. and its sponsor, LIC of India. The organizational structure of the Company has been designed keeping in view the requirement of a fund management company and the various guidelines of PFRDA and Investment Management Agreement signed with the NPS Trust.

The organization is steered by a Board of Directors. The CEO leads the Company's executive functions with HODs supervising the departments of Investment Management, Finance & Accounts, Compliance & Secretarial, Risk Management, Technology Support, Administration & Customer Relations.

## **Directors' Responsibility Statement**

Your directors confirm:

1. that in the preparation of annual accounts for the financial year ended 31.03.2011, applicable Accounting Standards have been followed along with proper explanation relating to material departures.
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or (loss) of the company for that period.
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. that the Directors have prepared annual accounts for the financial year ended 31.03.2011 on a 'going concern' basis.

## **Employees' Particulars**

There is no employee in LIC Pension Fund Ltd , who is receiving remuneration exceeding the amount prescribed under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## **Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo**

The Company is engaged in business of investment management of Pension Assets and not carrying on any manufacturing activities. Further the Company has not earned any foreign currency nor incurred any expenditure in foreign currency during the financial year. Hence, the particulars as prescribed under section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 are not applicable.

### **Acknowledgments**

Your directors would like to place on record their appreciation of the support extended by Life Insurance Corporation of India, the Sponsor of LIC Pension Fund Ltd., Pension Fund Regulatory and Development Authority (PFRDA), New Pension System Trust (NPS Trust), Ministry of Corporate Affairs, National Securities Depository Limited (NSDL) - Central Record Keeping Agency, Bank of India - Trustee bank, SHCIL-Custodian, M/s. K.C. Jain & Co., Chartered Accountants-Statutory Auditors, M/s. Haribhakti & Co. Chartered Accountants-Internal Auditors, Brokers and other Government agencies. Your directors would also like to place on record the contribution made by the officials at all levels for the success of your company during the year.

For and on behalf of the Board of Directors of  
LIC Pension Fund Limited

**Shri V. Manickam**  
**Managing Director & CEO**

**Shri D. K. Mehrotra**  
**Chairman**

Place: Mumbai  
Dated: 26.09.2011



## **About LIC Pension Fund Limited.**

LIC Pension Fund Ltd. has been sponsored by LIC of India with a specific purpose of managing pension funds under New Pension System regulated by Pension Fund Regulatory and Development Authority (PFRDA) for the employees of Central Govt. (excluding Defence Services) who have joined services w.e.f. 1st January, 2004. For State Govt. employees, this scheme is applicable as and when it is adopted by the respective State Govt. and for unorganised sector NPS Lite (Govt. pattern) is applicable.

LIC Pension Fund Ltd. is a fund management company. The Company manages 3 schemes of New Pension System i.e. Central Govt. Scheme w.e.f. 02.04.2008, State Govt. Scheme w.e.f. 25.06.2009 and NPS Lite (Govt. pattern) since 04.10.2010. The authorized capital of the company is ₹ 25 crore and paid up capital of the company is ₹ 15 crore. LIC Pension Fund Ltd. is the first company of its kind in India to manage pension funds under New Pension System. There are 2 more companies belonging to public sector, to manage the pension funds.

LIC Pension Fund Ltd. started its operations with allocation of 5% of funds from NPS Trust in the year 2008-09 which subsequently increased to 29% in 2009-10 and to 35% in 2010-11 thereby emerging as the number one Pension Fund Manager among the Pension Fund Managers.

## **Human Resources & Industrial Relations:**

The officials employed in the Company are well qualified in professional and managerial skills, having the requisite competence required for their tasks. The Company's HR processes ensure the availability of a competent and motivated team of employees, who are encouraged to enrich and update their competency by attending regular training programmes both external and in-house. The industrial relations environment in the Company continues to be cordial.

## **Corporate Governance:**

The Company is committed to maintain the highest standard of corporate governance. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stake holders and thereby paving the way for its long term success. The driving force behind institutionalising the practice of good corporate governance are various proactive measures, initiatives and guidance by the Regulator, Board of Directors, Audit Committee, Risk Management Committee, Investment Management Committee and Purchases and Expenses Advisory Committee. LIC Pension Fund Ltd. is committed to achieve the highest standards of Corporate Governance and it aspires to benchmark itself with international best practices in this regard.

## **An overview of New Pension System and Market Potential**

### **A. New Pension System (NPS):**

Pension reforms in India have evolved primarily in response to the need of reform in the Government pension system. This had been designed to make a shift from defined-benefit to defined-contribution by putting a cap on Government's liability towards civil servants' pension. As a result of implementation of the New Pension

System (NPS), all employees of the Central Government and Central autonomous bodies, with the exception of the armed forces, are now covered by this defined-contribution scheme with effect from 1 January, 2004. Subsequently, 27 State Governments have notified to join the NPS for their employees.

## **NPS Design**

The NPS architecture essentially involves a set of financial institutions, called points of presence (PoP), which are authorised to open NPS accounts and receive contributions; the Pension Fund Managers (PFMs), or the PFMs, which are appointed by the Pension Fund Regulatory and Development Authority (PFRDA) and are authorised to manage the pension corpus of the subscribers; and the Central Recordkeeping Agency (CRA), which does the record keeping. A centralised record keeping for the NPS ensures that the individual pension account is completely portable across the country. The management of the NPS is highly technology driven; the transmission of information and funds is done in an electronic environment, ensuring speed, accuracy and efficiency. The investment of the pension funds is done in accordance with prescribed norms which specify different categories of investment instruments along with prudential limits on the quality and quantity of investments.

## **Basic features of NPS**

**Two Tier Systems:** *The NPS is a two tier Defined Contribution Pension System.*

*Tier - I :*

### **a) Government Subscriber**

Mandatory, Non-Withdrawable Pension Account. Mandatory for the Central Government employees (except the armed forces), who have joined services on or after 1st January 2004. The Employees will Contribute 10% of salary (Basic plus DA) and matching 10% will be contributed by the Government to Tier-I Pension account of the employee.

### **b) Other Subscribers (all citizens except those mandatorily covered by NPS)**

- Minimum Four contributions in a year.
- Minimum contribution ₹ 6,000/- p.a.
- Minimum contribution ₹ 500/- per contribution.

*Tier -II :*

Voluntary, withdrawable Savings Account.

No contribution will be made by the Government under the Tier-II account.

Tier II would enable the existing Permanent Retirement Account (PRA) holders to build savings through investments over and above those in the Tier I pension account. **An active Tier I account will be a pre-requisite for opening of a Tier II account.**



**Minimum Contribution requirements:**

- |   |            |
|---|------------|
| 1. Minimum contribution at the time of account opening  | - ₹ 1000/- |
| 2. Minimum amount per contribution                      | - ₹ 250/-  |
| 3. Minimum Account Balance at the end of Financial Year | - ₹ 2000/- |
| 4. Minimum number of contributions in a year            | - One      |

**Schemes under operation for Govt. employees:** Though NPS envisages multiple investment schemes, presently there are two schemes i.e. Central Government Scheme and State Government Scheme with investment being broadly in Debt and Equity as under:

Asset class	Exposure allowed
A) Govt. securities (Central & State)	Up to 55%
B) Corporate Bonds	Up to 40%
C) Equity &/ Equity related Mutual Funds	Up to 15%
D) Money Market instruments	Up to 5%

**Schemes under operation for all citizens:** Investors under all citizens scheme can opt for Active Choice or Auto Choice.

**Active Choice:** Pension Fund Managers will manage 3 separate schemes, each investing in a different asset class. These assets classes are (i) Equity, (ii) Government securities and (iii) Credit risk bearing fixed income instruments. Investment in equity would be subject to a cap of 50 per cent. The fund managers will invest only in index funds that replicate either BSE sensitive index or NSE Nifty 50 index.

**Auto Choice:** In case the subscriber is unable/unwilling to exercise any choice as regards asset allocation, his/her contribution will be invested in accordance with the 'Auto choice' option. In this option the investment will be determined by a predefined portfolio.

Asset class E- Investments in predominantly equity market instruments.

Asset class C- Investments in fixed income instruments other than Government securities.

Asset class G- Investments in Government securities.

At the lowest age of entry (18 years), the auto choice will entail investment of 50% of pension wealth in "E" class, 30% in "C" class and 20% in "G" class. These ratios of investment will remain fixed for all contributions until the participant reaches the age of 36 years. From age 36 years onwards, the weight in "E" & "C" Class will decrease annually and the weight in "G" class will increase annually till it reaches 10% in "E", 10% in "C" and 80% in "G" class at age 55 years.

**NPS Lite :** PFRDA has taken another initiative by launching NPS-Lite i.e. a scheme formulated with a view to extend the coverage of NPS to the weaker and economically disadvantaged sections of the society with their limited investment potential. PFRDA has launched NPS-Lite which specifically targets the marginal investors

and promotes small savings during their productive life. It aims at building up a corpus sufficient enough to buy an annuity for their old age.

NPS-Lite Model is designed to ensure ultra-low administrative and transactional costs, so as to make such small investments viable. NPS-Lite works on a “group” model. It also aims at harnessing the outreach and capacity of the Government operated schemes, NGOs, MFIs, NBFCs etc. in targeting and servicing the old age saving needs of low income workers. Each eligible group or Aggregator in NPS Lite model will be responsible for grass-root level enrolments, ongoing collection, and reconciliation and transfer of individual contributions as well as for ongoing services and information delivery.

### **B. New Pension System Potential :**

The estimation of RNCOS (an industry research firm) shows that there are close to 80 million Indian workers who have no social security and most of them cannot afford pension plans offered by the Indian life insurers, particularly private life insurers. The minimum premium ranges from INR 15,000 to INR 18,000 per annum. However, this premium is much lower ( ₹ 6,000/- per annum) under the NPS. Thus, New Pension System is quite affordable and make sense for a country like India where income disparity is a major concern.

Of this 80 million, around 16 million workers are estimated to be “prime prospects”, which are likely to start saving immediately, said RNCOS report. Participation rate at this level would produce pension fund of ₹.12 Trillion under the NPS in the 12th year of its operation. If the latent demand for pension from these groups were fully harnessed, Indian workers would contribute an estimated ₹ 57,000 crore to the NPS in the first full year of operation based on differential capacity to different income group (source : “Indian Pension Fund Market Forecast to 2013” new research paper by RNCOS).

It has been observed globally that the post reform pension industry has witnessed significant growth and emerged as the most influential segment in financial market. We can also expect similar trend in India and pension industry is going to emerge as the most vibrant and influential one in the Indian financial service industry.

### **C. Macro Economic Outlook:**

**Gross Domestic Product (GDP):** The overall growth of GDP at factor cost at constant prices in 2010-11, as per the estimates released by the Central Statistical Organisation (CSO) was 8.6 per cent as against overall GDP growth rate of 8 per cent in 2009-2010. Growth is strong in 2010-11 (as per the Advance Estimate) with a rebound in agricultural and continued momentum in manufacturing, though there was a deceleration in services caused mainly by the deceleration in community, social and personal services, reflecting the base effect of fiscal stimulus in the previous two years.

**Savings and Investment:** CSO’s Quick Estimate for 2009-10 placed the Gross Domestic Savings as a percentage of GDP at current market price at 33.7 per cent in 2009-10 as compared to 32.2 per cent in 2008-09. Private sector savings dominated the total savings in 2009-10 and were at 31.6 per cent of GDP. Of this, the household sector savings was 23.5 per cent of GDP while the private corporate sector accounted for 8.1 percent. Savings by the public sector was 9.2 per cent of GDP.

**Financial Markets:** Domestic capital markets performed well in 2010, primary markets contribution to the



capital market is at record levels, including the largest ever initial public offering (IPO) (for Coal India), while secondary markets reached new highs. Record foreign inflows helped support the market. Pensions and insurance gained, with life insurance premium growing nearly 26 per cent and penetration doubling to 5.4 per cent of GDP in 2009, from 2.3 per cent in 2000 when insurance reforms started.

The year 2010 has been one of strong growth year for the Indian capital markets. Bulls tossed off the markets in the year 2010 to a net gain of 18 per cent, following global recovery and with FIIs pumping money in to the market on account of solid domestic growth coupled with a resurging corporate sector. Indices achieved record highs during the special one-hour muhurut trading on 5th November 2010 with the Sensex touching 21004.96 and Nifty 6312.45. As on 31st December, 2010, the markets stand just 3 per cent away from this all time peak and closed at 20509.09 (+17.43 per cent from 31st December, 2009 for the Sensex) and 6134.5 (+17.95 per cent for Nifty). Indian markets have been making gains for eight quarters in a row, their longest winning run in at least 20 years. While 2009 was basically a year of recovery from the crisis year of 2008, 2010 was one of consolidation of gains. From 9647 on 31st December 2008, the Sensex climbed to 17464.81 on 31st December 2009 and further consolidated its rally at 20509.09 on 31st December 2010. The total market capitalization as on 31st December 2010 stands at ₹ 72,96,725 crore compared to ₹ 60,81,308 crore as on 31st December, 2009.

**Future Outlook:** The strength of the economic recovery during Financial Year, 2011, unanticipated by many, has been a revelation of not only the strong fundamentals of the economy but also the opportunities that it holds for the future. The timely and aggressive policy responses by the RBI and the Government have aided the growth process. D&B's report on Economy Outlook 2011-12 is intended to facilitate more informed decisions by the corporates and also enable investors to assess the degree of business confidence and potential for India's economic growth. The report provides forecast of key macroeconomic variables, which will determine the course of business environment over the next fiscal. Against the backdrop of heightened uncertainty on the global economic front, spiraling global crude oil prices providing upward pressure to the persistent inflation and high interest rates, we expect the economy to grow by 8.8% during Financial Year, 2012, gaining traction especially, during the second half of the fiscal year. Improvement in private domestic demand conditions, moderating inflation towards the end of fiscal year and anticipation of recovery gathering pace in the global economy during the second half of the fiscal year is expected to provide the required impetus to overall growth. Improved growth momentum in economy would increase further employment in the Government and unorganized sector, which will ultimately expand the scope of pension market. It is expected that flow of funds to NPS would increase substantially during 2011-12.

**"Swavalamban"** (announced in Union Budget 2011-12) will be available for persons who join New Pension Scheme (NPS), with a minimum contribution of ₹ 1000/- and a maximum contribution of ₹ 12000/- per annum during the financial year 2010-11 and 2011-12, wherein Government will contribute ₹1000/- per year to each NPS account opened in the year 2010-11 and 2011-12. The Finance Minister also proposed to extend the benefit of Government contribution from three to five years for all subscribers of Swavalamban, which will further boost up flow of funds to NPS. With this announcement, the Government of India has become a direct stakeholder in the old age income security of every citizen.

The exit norms of "Swavalamban" scheme have been relaxed. A subscriber under "Swavalamban" scheme will now be allowed to exit at the age of 50 years instead of 60 years, or a minimum tenure of 20 years, whichever is later.

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# **Financial Statements for the year 2010-2011**

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## AUDITORS' REPORT

**TO  
THE MEMBERS' OF  
LIC PENSION FUND LIMITED**

- 1) We have audited the attached Balance Sheet of **LIC Pension Fund Limited** as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003, and read with the amendments made by the Companies (Auditor's Report) (Amendment) Order 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the course of audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent they are applicable to the Company.
- 4) Further to our comments in the Annexure referred to above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
  - c) The Balance Sheet, Profit and Loss account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit and Loss account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
  - ii) in the case of the Profit and Loss account, of the loss for the year ended on 31st March, 2011; and
  - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on 31st March, 2011.

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**

**H.K. Panda**  
**PARTNER**  
Membership No.:105641  
Firm Registration No.:112318W

Place : Mumbai  
Dated : August 30, 2011



## **ANNEXURE TO THE AUDITORS' REPORT**

### **(REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF LIC PENSION FUND LIMITED FOR THE YEAR ENDED MARCH 31, 2011)**

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b) The Company has physically verified the fixed assets in accordance with a programme of verification which in our opinion provides for physical verification of all fixed assets at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification.
- c) No substantial part of fixed assets of the Company has been disposed off during the period.
- ii. a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- iii. In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for purchase of fixed assets and for rendering of services. During the course of our audit, we have not observed any major weakness in the internal control systems.
- iv. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the Company has not entered into any contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits attracting provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 or any other relevant provisions of the Act.
- vi. In our opinion, the Company has an internal audit system which is commensurate with the size of the Company and the nature of its business.
- vii. We are informed that no cost records are required to be maintained by the Company under Section 209(1)(d) of the Companies Act, 1956.
- viii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, sales-tax, income-tax, wealth tax, service tax, excise duty, customs duty, cess and other material statutory dues as applicable with the appropriate authorities.
- b) According to the information and explanations given to us and the records of the Company

- examined by us, there are no dues of sales tax, income tax, wealth-tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- ix. The Company has accumulated losses at the end of the Financial Year and has incurred cash losses during the current financial year but not in the immediate preceding financial year.
- x. The Company has not taken any loan from banks or financial institutions and the Company has not issued any debentures.
- xi. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xii. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xiii. The Company has not taken any term loans during the period.
- xiv. According to the information and explanations given to us and on examination of the Balance Sheet of the Company, we report that, on an overall basis, funds raised on short term basis have prima facie, not been used during the period for long term investment.
- xv. The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xvi. The Company has not issued any debentures during the period and there were no debentures outstanding at the period end.
- xvii. The Company has not raised any money by public issue during the period.
- xviii. Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on the Company or by the Company has been noticed or reported during the course of our audit.
- xix. The other clauses 4(ii), 4(xiii), 4(xiv), of Para 4 of the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 are not applicable to the Company.

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**

**H.K. Panda**  
**PARTNER**  
Membership No.:105641  
Firm Registration No.: 112318W

Place : Mumbai  
Dated : August 30, 2011

**BALANCE SHEET AS AT 31ST MARCH 2011**

Schedules		₹	As at 31.03.2011 ₹	As at 31.03.2010 ₹
<b>SOURCES OF FUNDS</b>				
<b>Shareholders Funds</b>				
Share Capital	1		15,00,00,000	15,00,00,000
Reserves and Surplus	2		(11,33,862)	32,28,520
Deferred Tax Liability (Refer note no. 9 of schedule 12)			-	4,68,080
<b>TOTAL</b>			<b>14,88,66,138</b>	<b>15,36,96,600</b>
<b>APPLICATION OF FUNDS</b>				
<b>Fixed Assets</b>	3			
Gross Block		76,27,730		76,06,199
Less: Accumulated Depreciation		61,40,348		41,17,224
Net Block			<b>14,87,382</b>	<b>34,88,975</b>
<b>Current Assets, Loans and Advances</b>				
Sundry Debtors	4	35,898		15,300
Cash and Bank Balances	5	15,32,21,013		15,24,51,552
Other Current Assets	6	64,38,711		67,01,773
Loans & Advances	7	30,37,862		40,79,705
		<b>16,27,33,485</b>		<b>16,32,48,330</b>
<b>Deferred Tax Assets</b> (Refer note no. 9 of schedule 12)			<b>16,47,369</b>	-
<b>Less: Current Liabilities and Provisions</b>				
Current Liabilities	8	1,70,02,098		1,30,40,705
Provisions	9	-		-
		<b>1,70,02,098</b>		<b>1,30,40,705</b>
<b>Net Current Assets</b>			<b>14,57,31,387</b>	<b>15,02,07,625</b>
<b>TOTAL</b>			<b>14,88,66,138</b>	<b>15,36,96,600</b>

**Significant Accounting Policies and  
Notes To Accounts**

12

The Schedules referred to above form an integral part of this Balance Sheet

**As per our Report of even date****For Kailash Chand Jain & Co.**

Chartered Accountants

For and on behalf of the Board of Directors  
of LIC Pension Fund Limited**(H.K. Panda)**

PARTNER

Membership No.: 105641

Firm Registration No.: 112318W

**CHAIRMAN****DIRECTOR****DIRECTOR****MANAGING DIRECTOR & CEO****COMPANY SECRETARY**

Place : Mumbai.

Dated : August 30, 2011

Dated : June 28, 2011

**PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2011**

Schedules		Year ended 31.03.2011 ₹	Year ended 31.3.2010 ₹
<b>INCOME</b>			
Management Fees		1,12,669	33,780
Interest on Deposits		1,13,59,287	1,33,70,843
(Tax Deducted at Source ₹ 19,63,822/- Previous period ₹ 25,40,952/-)			
Misc. Income		1,400	-
Interest on Income Tax Refund		2,09,283	-
		<b>1,16,82,639</b>	<b>1,34,04,623</b>
<b>EXPENDITURE</b>			
Operating, Administrative and Other Expenses	10	35,00,513	37,82,406
Employee Costs	11	1,30,05,121	66,63,207
Depreciation	3	20,16,390	20,15,888
		<b>1,85,22,024</b>	<b>1,24,61,501</b>
<b>Profit/(Loss) before Tax</b>		<b>( 68,39,385)</b>	<b>9,43,122</b>
Less : Provision for Tax			
- Current tax		-	4,20,000
- Deferred tax Liability/(Assets)		(21,15,449)	( 1,26,315)
- Excess provision for earlier period		(3,61,554)	3,841
<b>Profit/(Loss) after Tax</b>		<b>( 43,62,382)</b>	<b>6,45,596</b>
Add: Balance Brought forward from previous period		<b>32,28,520</b>	25,82,924
Appropriations		-	-
Balance Carried forward to Balance Sheet		<b>( 11,33,862)</b>	<b>32,28,520</b>

**EARNINGS PER SHARE (EPS)**

BASIC/DILUTED EARNINGS PER SHARE (₹)	(0.29)	0.04
(Refer Note No. 7 of Schedule 12)		

**Significant Accounting Policies and****Notes To Accounts****12**

The Schedules referred to above form an integral part of this Profit &amp; Loss Account

**As per our Report of even date****For Kailash Chand Jain & Co.**

Chartered Accountants

**(H.K. Panda)**

PARTNER

Membership No.: 105641

Firm Registration No.: 112318W

For and on behalf of the Board of Directors  
of LIC Pension Fund Limited**CHAIRMAN****DIRECTOR****DIRECTOR****MANAGING DIRECTOR & CEO****COMPANY SECRETARY**

Place : Mumbai.

Dated : August 30, 2011

Dated : June 28, 2011

**Cash Flow Statement for the Year ended 31.03.2011**

	Year ended 31st March 2011 ₹	Year ended 31st March 2010 ₹
<b>A) Cash Flow From Operating Activities</b>		
<b>Net Profit (Loss) Before Tax</b>	(68,39,385)	9,43,122
Add: Adjustment for:		
Depreciation	20,16,390	20,15,888
Excess provision for earlier years	3,61,554	
Less: Adjustment for:		
Interest Received	1,15,68,570	1,33,70,843
<b>Operating Profit Before Working Capital Changes</b>	<b>(1,60,30,010)</b>	<b>(1,04,11,833)</b>
Adjustment for:		
Sundry Debtors	(20,598)	53,328
Loans & Advances	13,04,905	(1,31,145)
Current Liabilities	39,61,393	(44,68,066)
<b>Cash generated from operations</b>	<b>(1,07,84,310)</b>	<b>(1,49,57,716)</b>
Less: Direct Taxes Paid	29,26,564	(20,61,145)
<b>NET CASH FROM OPERATING ACTIVITIES : TOTAL (A)</b>	<b>(1,37,10,874)</b>	<b>(1,70,18,861)</b>
<b>B) Cash Flow from investing Activities</b>		
Purchase of Fixed Asset	(60,461)	(7,54,774)
Sale/transfer of Fixed Asset	45,663	27,905
Interest Received	1,44,95,134	1,52,98,365
<b>NET CASH FROM / (USED IN) INVESTING ACTIVITIES : TOTAL (B)</b>	<b>1,44,80,336</b>	<b>1,45,71,496</b>
<b>C) Cash Flow From Financing Activities</b>		
<b>Net Cash from Financing Activities : TOTAL (C)</b>	-	-
<b>Net Increase/Decrease in Cash TOTAL (A+B+C)</b>	<b>7,69,461</b>	<b>(24,47,365)</b>
<b>Cash and Cash Equivalent: Opening Balance (A)</b>	15,24,51,552	15,48,98,916
<b>Closing Cash and Cash Equivalents: Closing Balance (B)</b>	<b>15,32,21,013</b>	<b>15,24,51,552</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalent (A-B)</b>	<b>(7,69,461)</b>	<b>2,47,364</b>

**NOTES**

1 Above statements have been prepared in indirect method.

2 Cash and Cash equivalent includes Fixed Deposit with Banks.

**As per our Report of even date attached.****For Kailash Chand Jain & Co.**

Chartered Accountants

For and on behalf of the Board of Directors  
of LIC Pension Fund Limited**(H.K. Panda)**

PARTNER

Membership No.105641

Firm Registration No.112318W

**CHAIRMAN****DIRECTOR****DIRECTOR****MANAGING DIRECTOR & CEO****COMPANY SECRETARY**

Place : Mumbai.

Dated : August 30, 2011

Dated : June 28, 2011

## SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

	As at 31.03.2011 ₹	As at 31.03.2010 ₹
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL</b>		
Authorised		
2,50,00,000 Equity Shares of Rs. 10 each	25,00,00,000	25,00,00,000
Issued, Subscribed and Paid up Capital		
1,50,00,000 Equity Shares of Rs. 10 each fully paid up	15,00,00,000	15,00,00,000
<b>TOTAL</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>
Note:		
All the above shares are held by Life Insurance Corporation of India, and its nominees.		
<b>SCHEDULE 2</b>		
Reserves & Surplus		
Balance in Profit and Loss Account	(11,33,862)	32,28,520
<b>TOTAL</b>	<b>(11,33,862)</b>	<b>32,28,520</b>
<b>SCHEDULE 4</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured and Considered good)		
Debts outstanding for more than six months	-	-
Other Debts	35,898	15,300
<b>TOTAL</b>	<b>35,898</b>	<b>15,300</b>
<b>SCHEDULE 5</b>		
<b>CASH &amp; BANK BALANCE</b>		
Balance with Scheduled Banks		
In Current Accounts	1,25,013	51,552
In Fixed Deposits	15,30,96,000	15,24,00,000
<b>TOTAL</b>	<b>15,32,21,013</b>	<b>15,24,51,552</b>
<b>SCHEDULE 6</b>		
<b>OTHER CURRENT ASSETS</b>		
Interest accrued on Fixed Deposits	64,38,711	67,01,773
<b>TOTAL</b>	<b>64,38,711</b>	<b>67,01,773</b>



	As at 31.03.2011 ₹	As at 31.03.2010 ₹
<b>SCHEDULE 7</b>		
<b>LOANS &amp; ADVANCES</b>		
T.D.S. (Net of Provision)	29,26,564	39,29,614
Prepaid Expenses	1,11,298	1,50,091
<b>TOTAL</b>	<b>30,37,862</b>	<b>40,79,705</b>
<b>SCHEDULE 8</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors		
Due to Micro,Small and Medium Enterprises	-	-
Due to Life Insurance Corporation of India (LIC)	1,66,37,235	1,24,95,294
Others	3,12,573	3,00,333
Brokerage payable to NPS trust	31,837	2,24,124
T.D.S. Payable	20,453	20,954
<b>TOTAL</b>	<b>1,70,02,098</b>	<b>1,30,40,705</b>

## LIC PENSION FUND LIMITED

### SCHEDULE 3

#### FIXED ASSETS

(Amt. in Rupees)

HEAD OF ACCOUNT	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Opening balance as on 01.04.2010	Additions during the year	Deletions during the year	Total as on 31.03.11	Opening Balance as on 1.04.2010	For the year ended 31.03.2011	On Assets Sold / Adjustment	Upto 31.03.11
Furniture & Fixtures	6,85,901	-	-	6,85,901	1,95,595	31,781	-	2,27,376
Computers/ Microprocessors/Printers	10,71,228	36,900	38,930	10,69,198	3,82,975	1,63,935	(6,734)	5,53,644
Software	54,37,102	-	-	54,37,102	35,15,501	18,00,992	-	53,16,493
Office Equipments	4,11,968	14,071	-	4,26,039	23,153	19,568	-	42,721
Library Books	-	9,490	-	9,490	-	114	-	114
<b>Total</b>	<b>76,06,199</b>	<b>60,461</b>	<b>38,930</b>	<b>76,27,730</b>	<b>41,17,224</b>	<b>20,16,390</b>	<b>(6,734)</b>	<b>61,40,348</b>
Previous period	68,82,020	7,54,774	-	76,06,199	21,04,026	21,05,888	2,690	41,17,224
								<b>34,88,975</b>



## SCHEDULES ANNEXED TO AND FORMING PART OF PROFIT AND LOSS ACCOUNT

	For the Year ended 31.03.2011 ₹	For the Year ended 31.03.2010 ₹
<b>SCHEDULE 10</b>		
<b>OPERATING, ADMINISTRATIVE AND OTHER EXPENSES</b>		
Reuters Charges	4,89,797	11,27,317
Travelling Expenses	1,54,552	1,60,261
Telephone Charges	1,40,693	2,07,856
Motor Car expenses	83,873	39,344
Rent for Company car	4,79,898	4,52,242
Subscription Fees NSE STP	3,864	2,182
Directors Sitting Fees	1,95,000	1,05,000
Consultancy Charges	57,631	19,855
Repairs & Maintenance charges software/computers	7,85,365	5,88,878
Printing and Stationery	1,86,442	1,75,692
Internal Audit Fees	82,726	82,724
Auditors Remuneration ( Refer Note 8 of Schedule 12)	55,150	55,150
Entertainment Expenses	1,04,412	80,186
Transaction cost (Refer note 11 of Schedule 12)	2,98,969	2,24,124
Miscellaneous Expenses	2,41,289	1,88,172
Conference Expenses	2,900	91,887
Website Development Expenses	1,37,951	1,28,507
Training Expenses	-	53,029
<b>TOTAL</b>	<b>35,00,513</b>	<b>37,82,406</b>
<b>SCHEDULE 11</b>		
<b>EMPLOYEE COST</b>		
<b>(Refer Note 3 of Schedule 12)</b>		
Salary & Allowances	85,66,850	59,89,027
Arrears of Salary	30,97,691	-
Co's Contribution to PF/Pension	4,97,496	3,57,785
Co's Contribution to Gratuity	3,69,246	2,49,111
Leave Travel Concession	4,73,838	67,284
<b>TOTAL</b>	<b>1,30,05,121</b>	<b>66,63,207</b>

**SCHEDULE: 12****SIGNIFICANT ACCOUNTING POLICIES****A) Basis of Accounting**

The financial statements are prepared to comply in all material aspects with the applicable accounting principles in India, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956, and the relevant provisions of the Companies Act 1956.

**B) Revenue Recognition**

- Revenue is recognised as and when there is reasonable certainty of ultimate realization.
- Income on investments is accounted for on accrual basis.

**C) Fixed Assets & Depreciation**

- Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is provided on the straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.
- Intangible assets are amortised over a period of three years, on the Straight Line Method.
- Additions to fixed assets whose value per item is less than ₹ 5,000/-is fully depreciated in the year of addition.

**D) Investments**

- Long Term investments are considered as held till maturity and are valued at cost. Provision is made for diminution in the value of investments, if any, other than temporary in nature.
- Short Term investments are valued at cost or fair value whichever is lower.
- The cost of investments includes acquisition charges such as brokerage, etc. Front-end discount / incentive earned in respect of direct subscription are adjusted towards the cost of investments.

**E) Income Tax**

- Income Tax expense for the period, comprising of current tax and deferred tax is included in determining the net profit for the period.
- A provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and tax laws. A provision is made for deferred tax for all timing differences arising between taxable income and accounting income at tax rates enacted / substantively enacted by the Balance Sheet date.
- Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

**NOTES TO ACCOUNTS**

- 1 In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- 2 Sundry Creditors include overdue amount of ₹ NIL (including interest of ₹ NIL) payable to Micro, Small and Medium enterprises.
- 3 Employee Cost represents the amount to be reimbursed by the Company to Life Insurance Corporation of India (LIC) in respect of employees posted to the company.
- 4 Arrears of Salary, LTC etc. in respect of the employees of LIC posted to the Company is provided in the books of the Company in accordance of the working and advice provided by LIC in this respect.
- 5 The segment reporting disclosure as required by Accounting Standard-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable, since the Company has a single reportable business segment of providing asset management services as per the Pension Fund Regulatory and Development Authority Regulations.
- 6 Related Party Disclosure.

Related Party disclosures as required by AS – 18 "Related Party Disclosures" are given below:

- a) Name of Related Parties and Nature of Relationship where control exist:

Sr. No.	Related Party	Nature of Relationship
1	Life Insurance Corporation of India	Promoter / Sponsor of the entity
2	Dr. H. Sadhak (01.04.2010-30.11.2010)	Key Management Personnel
3	V. Manickam (01.12.2010-31.03.2011)	Key Management Personnel

- b) Details of Transactions with related parties

(Amt. in Rs.)

Name of Related Party	Nature of Transaction	Current Year	Previous Year
Life Insurance Corporation of India	<b>Opening Balance(Sundry Creditors)</b>	1,24,95,294	1,58,46,227
	Reimbursement to be made for expenses on staff posted to the company	1,29,78,536	66,81,792
	Reimbursement to be made for other expenses incurred	36,59,943	34,73,318
	Reimbursement to be made for purchase of fixed assets	23,561	22,95,374
	Reimbursement to be made for taxes paid	-	72,715
	Sale/Transfer of Fixed assets	(24,805)	(27,905)
	Payment made towards reimbursement of expenses	1,24,95,294	1,58,46,227
	<b>Closing Balance(Sundry Creditors)</b>	1,66,37,235	1,24,95,294
Dr. H. Sadhak	Remuneration (01.04.2010-30.11.2010)	5,52,670	6,88,913
Shri V. Manickam	Remuneration (01.12.2010-31.03.2011)	5,01,983	-

Above mentioned related parties are identified by the management as per Accounting Standard (AS) – 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India and relied upon by the auditors.

7. In accordance with Accounting Standard 20 "Earning per Share" issued by the Institute of Chartered Accountants of India, the required disclosure is given below.

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Net profit / (loss) attributable to shareholder (₹)	(43,62,382)	6,45,596
Weighted average number of equity shares (Nos.)	1,50,00,000	1,50,00,000
Basic and Diluted earnings per share (₹)	(0.29)	0.04
Face Value (₹)	10	10

8. Auditors' Remuneration

Particulars	Year ended 31.03.2011 (₹)	Year ended 31.03.2010 (₹)
Statutory Audit Fees	55,150	55,150
Other matters	-	-
Total	55,150	55,150

9. In accordance with the provisions of Accounting Standard-22 relating to "Accounting for Taxes on Income", the break up of deferred tax assets/ (liabilities) is shown below.

(Amt. in Rs.)

Particulars	Deferred Tax as on 31.03.2010	During the Year	Deferred Tax as on 31.03.2011
Depreciation	(4,68,080)	4,00,310	(67,770)
Total	(4,68,080)	4,00,310	(67,770)

10. Management Fees (fees for Investment & Advisory services) is recognized at a specific rate of 0.0009% per annum of the monthly average assets under management as per the agreement entered into by the company with New Pension System Trust.
11. All transaction related charges such as brokerage transaction cost etc. but exclusive of all applicable taxes relating to assets under management of New Pension System Trust are borne by the Company.
12. Figures of the previous period have been re-grouped, re-arranged wherever necessary.
13. Information with regard to other matters specified in Clauses 3, 4C & 4D of Part II to Schedule VI of the Companies Act, 1956 are either nil or not applicable to the Company.

As per our report of even date attached

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**

For and on behalf of the Board of Directors  
LIC PENSION FUND LIMITED

**H.K. Panda**  
(PARTNER)  
Membership No.: 105641  
Firm Registration No.: 112318W

**CHAIRMAN**

**DIRECTOR**

**DIRECTOR**

**MANAGING DIRECTOR & CEO**

**COMPANY SECRETARY**

Place: Mumbai

Dated : August 30, 2011

Dated : June 28, 2011



LIC Pension Fund Ltd.

Additional information as required under Part-IV of Schedule-VI to the Companies Act 1956	
<b>Balance Sheet Abstract and Company's General Business Profile</b>	
<b>1 Registration Details :</b>	
Registration No.	U66020MH2007PLC176066
State Code	11
Balance Sheet Date	March 31, 2011
<b>2 Capital raised during the Year :</b>	<u>(Rs. in thousand)</u>
Public issue	-
Right issue	-
Bonus issue	-
Private placement	-
<b>3 Position of mobilisation and deployment of funds :</b>	<u>(Rs. in thousand)</u>
Total Liabilities	1,48,866
Total Assets	1,48,866
<b>Source of funds :</b>	
Paid-up Capital	1,50,000
Reserves & Surplus	(1,134)
Deferred Tax Liability	-
Secured Loans	-
Unsecured loans	-
<b>Application of Funds :</b>	
Net Fixed Assets	1,487
Investments	-
Net Current Assets	1,45,731
Misc. Expenditure	-
Accumulated Losses	-
Deferred Tax Assets	1,648
<b>4 Performance of Company :</b>	<u>(Rs. in thousand)</u>
Turnover / Income	11,683
Total Expenditure	18,522
Profit / (Loss) before tax	(6,839)
Profit / (Loss) after tax	(4,362)
Earning per share	(0.29)
Dividend rate %	-
<b>5 Generic Names of Principal Products/services of the Company :</b>	
Item Code No.	N.A.
Product Description	N.A.

As per our report of even date attached

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**

For and on behalf of the Board of Directors  
LIC PENSION FUND LIMITED

**H.K. Panda**  
(PARTNER)  
Membership No. 105641  
Firm Registration No: 112318W

**CHAIRMAN**

**DIRECTOR**

**DIRECTOR**

**MANAGING DIRECTOR & CEO**

**COMPANY SECRETARY**

Place: Mumbai  
Dated : August 30, 2011

Dated : June 28, 2011

Notes



## Notes



Shri D.K. Mehrotra, Chairman being greeted by Shri V. Manickam, MD & CEO  
on his maiden board meeting held on 28/06/2011



15th Board Meeting held on 28/06/2011 in progress



**LIC Pension Fund Ltd.**

**LIC Pension Fund Ltd.**  
“Yogakshema”, East Wing, 7th Floor,  
Jeevan Bima Marg, Mumbai - 400 021