

**PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY**

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last five years shall be disclosed.  
- **NIL**
2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last five years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to shareholders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last five years shall also be disclosed.

Sponsor

With regard to Penal Action Taken by various Government Authorities as on 31.03.2024

SI No.	Authority	Non Compliance/ Violation	Amount in Lakhs		
			Penalty	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	As per table given below	0	0	0
2	GST/Service Tax Authorities		37542	1	0
3	Income Tax Authorities		15362	7581	0
4	Any other Tax Authorities		7	7	0
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA		0	0	0
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013		0	0	0
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation		32	30	0
8	Securities and Exchange Board of India		10	0	0
9	Competition Commission of India		0	0	0

10	Any other Central/State/Local Government / Statutory Authority		1	0	1
	<b>Total</b>		<b>52954</b>	<b>7619</b>	<b>1</b>

Particulars	Amount in lakhs
Delay In return filling & late remittance of tax	11
Late remittance of professional tax	7
Penalty awarded by Court in favor of policyholders	3
Penalty awarded by Govt. Authority other than the policyholder matters.	15391
GST/ Service Tax Authority	37542
<b>Total</b>	<b>52954</b>

With regard to Penal Action Taken by various Government Authorities as on 31.03.2023

Sl. No.	Authority	Non Compliance/ Violation	Amount in lakhs		
			Penalty awarded	Penalty paid	Penalty Waived/Reduced
1	Insurance Regulatory and Development Authority	As per table given below	0	0	0
2	GST/Service Tax Authorities		0.02	0.02	0
3	Income Tax Authorities		1282.2	261.69	0
4	Any other Tax Authorities		0.22	0.22	0
5	Enforcement Directorate/Adjudicating Authority/Tribunal of any Authority under FEMA		0	0	0
6	Registrar of Companies /NCLT/CLB/ Department of Corporate Affairs or any authority under Companies Act ,1956		0	0	0
7	Penalty awarded by any Court /Tribunal for any matter including claim settlement but excluding compensation		19	19	0
8	Securities and Exchange Board of India		0	0	0
9	Competition Commission of India		0	0	0
10	Any Other Central/State/Local Government / Statutory Authority		0.02	0.02	0
	<b>Total</b>		<b>1301.46</b>	<b>280.95</b>	<b>0</b>

Details of Non-compliance/Violation:

Particulars	Amount in lakhs
Delay in return filing and late remittance of tax	6.58

Late remittance of Professional Tax	0.22
Penalty awarded by Court in favour of Policyholders	14.74
Penalty awarded by Govt. Authority other than the policyholders matters	1279.92
Service Tax Authority	0
<b>Total</b>	<b>1301.46</b>

With regard to Penal Action Taken by various Government Authorities as on 31.03.2022

Sl. No.	Authority	Non Compliance/ Violation	Amount in lakhs		
			Penalty awarded	Penalty paid	Penalty Waived/Reduced
1	Insurance Regulatory and Development Authority	As per table given below	0	0	0
2	GST/Service Tax Authorities		670.94	50.51	0
3	Income Tax Authorities		374.27	16.82	0
4	Any other Tax Authorities		0.76	0.76	0
5	Enforcement Directorate/Adjudicating Authority/Tribunal of any Authority under FEMA		0	0	0
6	Registrar of Companies /NCLT/CLB/ Department of Corporate Affairs or any authority under Companies Act ,1956		0	0	0
7	Penalty awarded by any Court /Tribunal for any matter including claim settlement but excluding Compensation		36.58	36.58	0
8	Securities and Exchange Board of India		10	0	0
9	Competition Commission of India		0	0	0
10	Any Other Central/State/Local Government / Statutory Authority		11.63	5.73	0
	<b>Total</b>		<b>1104.18</b>	<b>110.41</b>	<b>0</b>

Details of Non-compliance/Violation

Particulars	Amount in lakhs
Delay in return filing and late remittance of tax	374.27
Late remittance of Professional Tax	0.76
Penalty awarded by Court in favour of Policyholders	36.41
Penalty awarded by Govt. Authority other than the policyholders matters	21.8

Service Tax Authority	670.94
<b>Total</b>	<b>1104.18</b>

With regard to Penal Action Taken by various Government Authorities as on 31.03.2021

Sl. No.	Authority	Non Compliance/ Violation	Amount in lakhs		
			Penalty awarded	Penalty paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	As per table given below	0	0	0
2	GST/Service Tax Authorities		0.02	0.02	0
3	Income Tax Authorities		6.43	6.43	0
4	Any other Tax Authorities		0.23	0.23	0
5	Enforcement Directorate/Adjudicating Authority/Tribunal of any Authority under FEMA		0	0	0
6	Registrar of Companies /NCLT/CLB/ Department of Corporate Affairs or any authority under Companies Act ,1956		0	0	0
7	Penalty awarded by any Court /Tribunal for any matter including claim settlement but excluding Compensation		3.71	3.71	0
8	Securities and Exchange Board of India		0	0	0
9	Competition Commission of India		0	0	0
10	Any Other Central/State/Local Government / Statutory Authority		888.78	0.10	0
	<b>Total</b>		<b>899.17</b>	<b>10.49</b>	<b>0</b>

Details of Non-compliance/Violation

Particulars	Amount in lakhs
Delay in return filing and late remittance of tax	6.43
Late remittance of Professional Tax	0.23
Penalty awarded by Court in favour of Policyholders	3.71
Penalty awarded by Govt. Authority other than the policyholders matters	888.78
Service Tax Authority	0.02
<b>Total</b>	<b>899.17</b>

With regard to Penal Action Taken by various Government Authorities as on 31.03.2020

Sl. No.	Authority	Non Compliance/ Violation	Amount in lakhs		
			Penalty awarded	Penalty paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	As per table given below	0	0	0
2	GST/Service Tax Authorities		680.38	680.38	0
3	Income Tax Authorities		9.18	9.18	0
4	Any other Tax Authorities		3.96	3.96	0
5	Enforcement Directorate/Adjudicating Authority/Tribunal of any Authority under FEMA		0	0	0
6	Registrar of Companies /NCLT/CLB/ Department of Corporate Affairs or any authority under Companies Act ,1956		0	0	0
7	Penalty awarded by any Court /Tribunal for any matter including claim settlement but excluding Compensation		2.16	2.16	0
8	Securities and Exchange Board of India		0	0	0
9	Competition Commission of India		0	0	0
10	Any Other Central/State/Local Government / Statutory Authority		0	0	0
	<b>Total</b>		<b>695.68</b>	<b>75.24</b>	<b>0</b>

Details of Non-compliance/Violation

Particulars	Amount in lakhs
Delay in return filing and late remittance of tax	12.43
Late remittance of Professional Tax	0.71
Penalty awarded by Court in favour of Policyholders	2.16
Penalty awarded by Govt. Authority other than the policyholders matters	0
Service Tax Authority	680.38
<b>Total</b>	<b>695.68</b>

3. Details of all enforcement actions taken by SEBI in the last five years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Against the Sponsor

Life Insurance Corporation of India (LICI) had received a Show Cause Notice (SCN) under Rule 4 (1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of “Non –Compliance of Regulation 7B of SEBI (Mutual Funds) regulations, 1996 from Adjudicating Officer (AO) of SEBI vide his notice dated 12th March 2020. SEBI called upon LICI to show cause as to why an inquiry should not be held against LICI in terms of Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and penalty should not be imposed on LICI for Non- Compliance of Regulation 7B of SEBI in respect of UTIAMCL and UTITCPL. It has been brought to the notice of AO, that LICI was unable to comply with the Regulation 7B within specified time despite the efforts made by LICI including taking approval from DIPAM regarding divestment of its holding, meetings with sponsors, Institutional Investors etc. due to the processes involved in obtaining necessary approvals from various stakeholders.

It has been further brought to the notice of the AO, the specified Order of Whole Time Member of SEBI dated 6th December 2019, wherein LICI has been provided time till December 31, 2020 to comply with Regulation 7B and UTIAMCL has initiated the process to divest LIC’s stake in both UTIAMCL and UTITCPL and that LICI will become compliant of the said regulation well before the revised timeline of 31st December. AO passed an order on 14th August 2020 imposing a penalty of Rs.10 lakhs on LICI for non compliance with Regulation 7B of SEBI Mutual Funds Regulations and has given time of 45 days from the date of receipt of the order for payment of the penalty.

LICI had filed an appeal before Securities Appellate Tribunal (SAT) on September 15, 2020 and the matter was heard on December 23, 2020. SAT vide its Order dated January 07, 2021, has decided and ordered that appeal is partly allowed by substituting the monetary penalty of Rs.10 lakhs imposed on LICI with that of a Warning. SEBI has obtained interim stay on the SAT order and has appealed to the Supreme Court against the SAT order. The matter is under hearing with Supreme Court.

There is no further update in the matter in addition to the data already submitted.

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.
  - LIC Mutual Fund (“the Fund”) received a demand order dated 30<sup>th</sup> April 2024 from the Office of Deputy Commissioner of State Tax (Respondent), directing the Fund to make a payment of Rs. 32.08 crores within a period of 90 days from the date of the demand order, failing which proceedings shall be initiated for recovery of dues. LIC Mutual Fund Trustee Private Limited has filed a Writ Petition in High Court of Bombay on 22<sup>nd</sup> July 2024, for quashing/ setting aside the aforesaid order and prohibiting the respondents from acting upon or taking any further proceedings in pursuance of the aforesaid order.
  
5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed. **NIL**