

Survey of India's Foreign Liabilities and Assets for the Mutual Fund Companies (2006-2009)*

This article presents an overview of the foreign assets and liabilities of the mutual fund companies (MFs) in India based on the Foreign Liabilities & Assets Survey (FLAS) conducted by the Reserve Bank with March 2006 to March 2009 as the reference period. The results cover the responses of 40 MFs for March 2009 which opened/acquired foreign assets or liabilities and 31 of these companies were common during the entire survey period. The noticeable increase in foreign assets and foreign liabilities of MFs during this period is analysed in detail and country-wise classification of the foreign assets and liabilities has also been made. Foreign liabilities were over seven times their foreign assets in March 2009 even as both recorded substantial growth. The rapid growth in balance sheets of MFs was arrested during the global financial crisis year of 2008-09 when most parameters moderated or declined. The increasing trend in their reinvested earnings was also arrested during the crisis year. The overseas portfolio assets of the MFs were solely in terms of investment in equity securities.

Section I

Introduction

The Reserve Bank conducts the annual *Foreign Liabilities and Assets Survey* (FLAS) among Indian resident companies to collect information on their cross-border liabilities and assets, which is used as an input for compilation of Balance of Payments (BoP) statistics and International Investment Position (IIP) of India. Foreign liabilities and assets arise on account of foreign direct investment (FDI), portfolio investment, other investments, which include trade credit, loan, etc. This information was earlier collected on census basis generally once in five years and the first such census was conducted with end-June 1948

*Prepared in the External Liabilities and Assets Statistics Division of the Department of Statistics and Information Management (DSIM). The previous study with reference period 2003-2005 was published in August 2006 issue of the RBI Bulletin.

as the reference period. Since 1997, FLAS is being conducted on a yearly basis. This information gives the extent to which an economy can withstand unexpected shocks in capital flows and also shows the level of international investors' confidence in the economy.

This article has been prepared on the basis of the FLAS data relating to mutual funds (MFs) and asset management companies (AMCs) associated with MFs for the reference period 2006 to 2009. Section II and III discuss the foreign liabilities and assets of MFs and AMCs, respectively. Section IV highlights the results of the co-ordinated portfolio investment survey (CPIS), which covers the portfolio assets in terms of equity and debt securities held abroad by MFs. Section V covers the reinvested earnings of the AMCs and conclusions are presented in Section VI.

Scope & Coverage

The information on foreign liabilities and assets analysed here has been collected under Schedule 1 (for information on the stock of external assets and liabilities of AMCs) and Schedule 4 (for information regarding MF units issued to non-residents, unpaid dividend, redemption of units issued to non-residents and MFs' overseas investment) of the FLAS. Format of both the schedules are given in Annex I. In terms of coverage, 34 MFs reported under FLAS for March 2006 and March 2007 which rose to 36 for March 2008 and further to 40 for March 2009. Of these, 31 companies were common in all the four years. As all the 40 MFs in the survey-frame for March 2009 responded (list in Annex II), it was a complete enumeration.

Developments in the Mutual Fund Sector

A mutual fund is a professionally managed collective investment scheme that pools money from multiple investors and invests typically in instruments such as, stocks, bonds, short-term money market instruments, other mutual funds, other securities, and/

or commodities such as precious metals. The investors are issued units in proportion to their investment. MFs trade (buy and sell) instruments in accordance with their investment objective and the income earned through these investments and the capital appreciation realised are shared by its unit-holders in proportion to the number of units held by them.

MFs in India are a significant source of investment in both government and corporate securities market. The foundation of the MF industry in India dates back to 1963 when Unit Trust of India (UTI) introduced mutual fund. Over the period, a number of players entered the market including private and foreign companies. Banks, too, have established mutual funds. As a part of the opening up of the financial sector, permission was given to private sector funds, including foreign fund management companies (most of them entering through joint ventures with Indian promoters), to enter the MF industry in 1993. All MFs are required to be established as trusts under the Indian Trusts Act, 1882 and the Securities and Exchange Board of India (SEBI) regulates their functioning. Mutual funds dealing exclusively with money market instruments are required to be registered with the Reserve Bank.

The aggregate ceiling for overseas investment by mutual funds registered with SEBI was enhanced from USD 4 billion to USD 5 billion in September 2007 which was further raised to USD 7 billion in April 2008. The actual fund management activity of an MF is generally conducted by a separate AMC. At present, Indian AMCs which launch off-shore funds abroad have to obtain SEBI's approval for such schemes. The minimum net worth of an AMC or its affiliate must be ₹50 million to act as a manager in any other fund.

Section II

Mutual Fund Companies: Foreign Liabilities & Assets

In India, MFs are allowed to issue the units of different schemes to non-residents which leads to creation of foreign liabilities on them. Foreign liabilities of MFs comprise two broad components: (i) issue of units to non-residents which can be classified further based on face value as well as market value and

(ii) other foreign liabilities arising out of unpaid income/dividend to non-residents, sale proceeds waiting repatriation, *etc.* Major part of the foreign liabilities of MFs is attributed to the former whereas the latter constitutes only its meager portion. In addition to investment in MF units abroad and investment in foreign equity and debt instruments, foreign assets of MFs include balances held abroad, dividend receivable from abroad, *etc.*, which are classified as 'Other Foreign Assets' in the survey schedule.

During the reference period 2006-09, there was significant increase in both foreign assets acquired and foreign liabilities created by MFs and the ratio of foreign assets of the MFs to their foreign liabilities increased from 3.2 per cent at March 2006 to 14.0 per cent in March 2009 (Table 1). In particular, during 2007-08, foreign assets of MFs increased sharply from ₹614 crore to ₹4,244 crore, mainly on account of significant enhancement in the aggregate ceiling for overseas investment by MFs registered with SEBI during this period. Thereafter, the assets declined by 9.7 per cent to ₹3,832 crore in March 2009 reflecting the impact of global economic slowdown and meltdown in the stock markets.

Foreign liabilities of MFs (sum of 'units issued to non-residents' and 'other foreign liabilities') which increased gradually from ₹8,522 crore in March 2006 to ₹10,499 crore as at end-March 2007, rose sharply to

Chart 1: Foreign Assets & Liabilities of Mutual fund Companies as at end-March

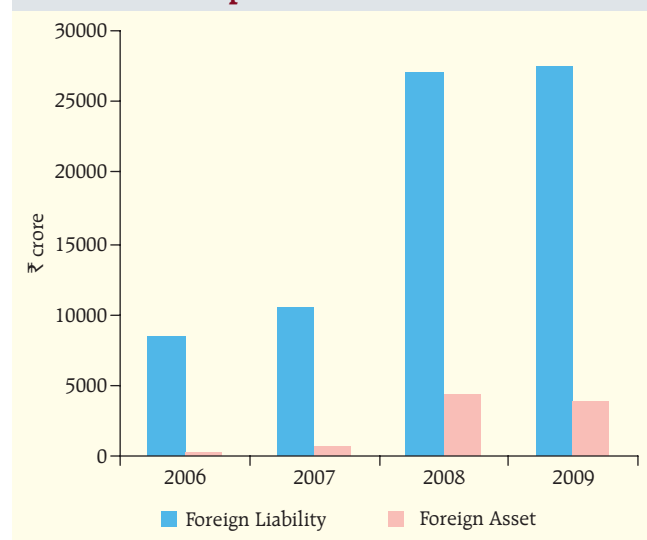


Table 1: Mutual Fund Companies – Foreign Liabilities and Assets

Mutual Fund Company	End-March				Variation					
					Absolute			Per cent		
	2006	2007	2008	2009	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
	1	2	3	4	5	6	7	8	9	10
Foreign Liability*	8,522	10,499	27,128	27,446	1,977	16,629	317	23.2	158.4	1.2
Foreign Asset	269	614	4,244	3,832	345	3,629	-412	128.0	590.8	-9.7

* Based on Face Value

₹27,128 crore in March 2008 and thereafter remained flat at ₹27,446 crore in March 2009 in the global crisis year.

The Chart 1 shows the trend in foreign liabilities and assets of MFs during the reference period.

Non-resident Holding

Foreign liabilities of MFs on account of mutual fund units issued to non-residents (which constitute nearly 99.9 per cent of their total foreign liabilities) have been classified according to both face value and market value. Such liabilities increased more than three-fold during the reference period both on face value as well as market value. However, while the rise in liabilities based on face value was steady (₹8,517 crore in March 2006 to ₹27,413 crore in March 2009), the liabilities based on market value were much more volatile due to swings in secondary market prices and increased from ₹13,877 crore in March 2006 to ₹41,106 crore in March 2008 before declining to ₹33,934 crore by March 2009 (Table 2).

Country-wise Distribution of Units Issued to Non-residents

(i) **Based on Face Value:** A country-wise distribution of the foreign liabilities of the MFs, based on face value

of units issued to non-residents, shows that the share of United Arab Emirates (UAE) which rose from 18.4 per cent to 26.0 per cent during 2006-07, declined to 16.4 per cent in March 2008 and further to 9.2 per cent in March 2009 (Table 3). However, UAE continued to hold a substantial share of the total liabilities throughout the reference period. The share of foreign liabilities to Kuwait which remained around 0.2-0.3 per cent of the total foreign liabilities during 2006-2008, increased to 5.2 per cent by March 2009 followed by USA (2.1 per cent), United Kingdom (1.5 per cent) and Hong Kong (1.5 per cent). Hong Kong showed an increase in the share of foreign liabilities during 2008-09 while Mauritius recorded a decline in share during the year. The category 'Others' include the responses in which the country-details were either not given or the contribution was very small. In most of the cases of NRI investment, Indian addresses were given which were also included under this category. As such, the share of 'Others' was as high as three-fourths in the total foreign liabilities.

(ii) **Based on Market Value:** The country-wise classification of foreign liabilities on account of units issued to non-residents indicates that, as per market value also, UAE held major share of the foreign liabilities during the survey period. Foreign liability to Kuwait increased from 0.2 per cent in March 2008 to

Table 2: Mutual Fund Companies – Non-Resident Holding

Non-resident holding	End-March				Variation					
					Absolute			Per cent		
	2006	2007	2008	2009	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
	1	2	3	4	5	6	7	8	9	10
Face value of units	8,517	10,490	27,114	27,413	1,973	16,624	299	23.2	158.5	1.1
Market value of units	13,877	18,220	41,106	33,934	4,342	22,886	-7,172	31.3	125.6	-17.4
Other foreign liabilities	5	9	15	32	4	6	17	84.5	58.8	122.0

Table 3: Mutual Fund Companies – Country-wise Foreign Liabilities (at face value)

Country	End-March			
	2006	2007	2008	2009
	1	2	3	4
United Arab Emirates	18.4	26.0	16.4	9.2
Kuwait	0.2	0.2	0.3	5.2
USA	2.4	3.0	2.2	2.1
United Kingdom	1.7	1.7	1.9	1.5
HongKong	0.5	0.3	0.4	1.5
Singapore	0.4	0.9	1.0	1.0
Mauritius	0.4	0.5	2.4	1.0
Canada	0.2	0.2	0.5	0.5
Japan	0.1	0.1	0.1	0.4
Others*	75.7	67.3	74.8	77.5
Total#	100.0	100.0	100.0	100.0

* Includes cases where the investing country was not specified, or Indian address was give or country-wise contribution was very small.
Total may not tally due to rounding off.

4.2 per cent in March 2009 whereas foreign liability to Mauritius declined from 3.1 per cent to 1.7 per cent during this period. The share of foreign liability to Canada increased sharply from 0.2 per cent in March 2007 to 4.2 per cent in March 2008 and then declined to 3.1 per cent in March 2009. The category 'Others' has the same meaning as in the above case of liabilities based on face value. Here too, the share of others was about three-fourths of the total foreign liabilities (Table 4).

Table 4: Mutual Fund Companies – Country-wise Foreign Liabilities at Market Value

Country	End-March			
	2006	2007	2008	2009
	1	2	3	4
United Arab Emirates	13.0	16.4	12.2	12.2
Kuwait	0.2	0.1	0.2	4.2
Canada	0.3	0.2	4.2	3.1
USA	2.2	2.5	2.4	2.0
Mauritius	0.4	0.3	3.1	1.7
United Kingdom	1.7	1.4	1.7	1.4
Hong Kong	0.4	0.2	0.4	1.3
Singapore	0.5	0.6	0.8	0.9
Oman	0.8	0.7	0.8	0.6
Others*	80.5	77.5	74.3	72.4
Total#	100.0	100.0	100.0	100.0

* Includes cases where the investing country was not specified or where the country-wise contribution was very small.
Total may not tally due to rounding off.

Section III

Asset Management Companies – Foreign Liabilities and Assets

Asset management refers to professional management of investments that guides gaining of assets (stocks, bonds, gold, real estate), their use and disposal, and management of any costs and risks associated with the assets, in order to maximise the return on assets and make most of the assets' potential throughout their life. An Asset Management Company (AMC) is a firm that invests pooled funds of retail investors in various assets in line with the stated investment objectives. AMCs undertake the fund management activity of MFs. Against a fee, AMCs provide more diversification, liquidity, and professional management consulting service than is normally available to individual investors. They collect money from investors by way of floating various schemes and attempt to achieve portfolio diversification by investing in such securities that are not highly correlated with each other.

There were 40 AMCs associated with the MFs, which responded to the survey for 2008-09. Consistent with increased financial market activity during the period, foreign liabilities of AMCs increased rapidly during 2006-2008 (68.9 per cent in 2006-2007 and 93.4 per cent in 2007-2008) and even a relatively lower growth of 25.5 per cent during the crisis year of 2008-09 remained substantial. In sum, foreign liabilities

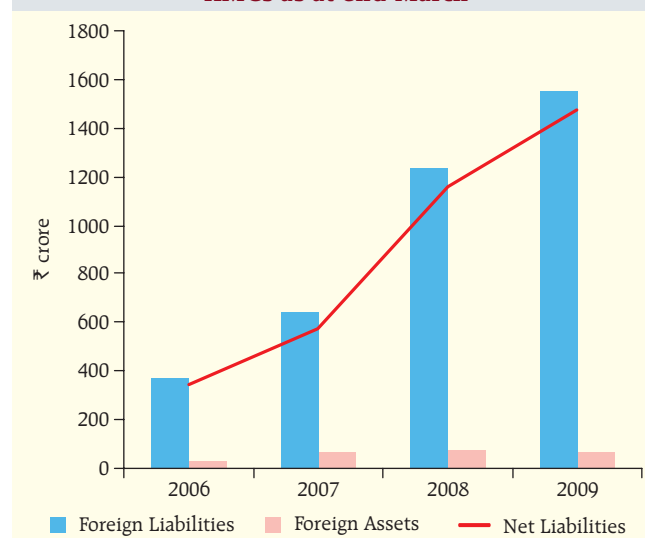
Chart 2: Foreign Liabilities & Assets of AMCs as at end-March

Table 5: Asset Management Companies – Foreign Liabilities and Assets

Item	End-March				Variation					
					Absolute			Per cent		
	2006	2007	2008	2009	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
	1	2	3	4	5	6	7	8	9	10
Foreign Liabilities	378	638	1,234	1,548	260	596	314	68.9	93.4	25.5
Foreign Assets	31	63	73	70	31	10	-3	100.5	16.9	-4.7
Net Liabilities	346	575	1,160	1,478	229	585	318	66.1	101.7	27.4

of AMC's increased from ₹378 crore in March 2006 to ₹1,548 crore in March 2009 (Table 5).

Foreign assets held by AMC's more than doubled from ₹31 crore in March 2006 to ₹73 crore in March 2008 after which they declined marginally to ₹70 crore in March 2009. Due to the large surge in foreign liabilities of AMC's, their net liabilities also increased significantly during 2006-2009. In the crisis year, they increased by 27.4 per cent from ₹1,160 crore in March 2008 to ₹1,478 crore in March 2009.

(a) Country-wise Foreign Liabilities

Mauritius accounted for the major share in total foreign liabilities of the AMC's during 2006-2009. Foreign liabilities to China which was nearly flat at ₹22.8 crore during 2006-2008 recorded a spurt to ₹211.0 crore by March 2009 whereas the share of USA in foreign liabilities increased consistently in absolute terms. In March 2009, the share of Mauritius (48.5 per cent), China (13.6 per cent), Korea (13.1 per cent)

Table 6: Asset Management Companies – Country-wise Distribution of Foreign Liabilities

Country	End-March				Variation					
					Absolute			Per cent		
	2006	2007	2008	2009	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
	1	2	3	4	5	6	7	8	9	10
Mauritius	200.0 (53.0)	385.2 (60.4)	711.1 (57.7)	750.6 (48.5)	185.2	325.9	39.5	92.6	84.6	5.5
China	22.8 (6.0)	22.8 (3.6)	22.8 (1.8)	211.0 (13.6)	0.0	0.0	188.2	0.0	0.0	826.5
South Korea	0.0 **	0.0 **	203.2 (16.5)	203.2 (13.1)	0.0	203.2	0.0	**	**	0.0
Netherlands	0.0 **	0.0 **	99.9 (8.1)	120.7 (7.8)	0.0	99.9	20.9	**	**	20.9
Singapore	0.0 **	22.6 (3.5)	42.3 (3.4)	118.9 (7.7)	22.6	19.7	76.6	**	87.3	181.2
USA	22.5 (6.0)	47.1 (7.4)	61.0 (4.9)	73.6 (4.8)	24.6	14.0	12.5	109.1	29.7	20.5
France	18.5 (4.9)	18.5 (2.9)	26.2 (2.1)	26.2 (1.7)	0.0	7.7	0.0	0.0	41.4	0.0
United Kingdom	35.8 (9.5)	35.6 (5.6)	44.1 (3.6)	18.7 (1.2)	-0.2	8.4	-25.4	-0.5	23.7	-57.6
Italy	0.0 **	0.0 **	0.0 **	15.0 (1.0)	0.0	0.0	15.0	**	**	**
Canada	9.0 (2.4)	9.0 (1.4)	9.5 (0.8)	9.5 (0.6)	0.0	0.5	0.0	0.0	5.7	0.0
Others	69.0 (18.3)	97.2 (15.2)	13.5 (1.1)	0.7 (0.0)	28.2	-83.7	-12.8	40.9	-86.1	-94.9
Total	377.6	637.9	1,233.5	1,547.9	260.3	595.6	314.4	68.9	93.4	25.5

Figures in bracket indicate percentage share to total:

** Indicates nil figure

and USA (4.8 per cent) were high. South Korea and Netherlands accounted for foreign liabilities from 2008 onwards. The category 'Others' includes cases where country of the investor was not given or where individual country-wise contribution was very small (Table 6).

(b) Country-wise Foreign Assets

The foreign assets of the Asset Management Companies (AMCs) were mainly held in Guernsey, an island near France, in all the four consecutive years from 2006 to 2009. In March 2009, it accounted for 52.9 per cent of the total foreign assets, followed by Mauritius and Singapore accounting for 30.1 per cent and 10.0 per cent, respectively. The share of Mauritius in the foreign assets rapidly increased from 3.8 per cent at end-March 2006 to 30.1 per cent at end-March 2009. The share of foreign assets in United Kingdom, Japan and Canada in total foreign assets gradually declined during the survey period (Table 7).

Section IV

Co-ordinated Portfolio Investment Survey

Along with the data on the foreign liabilities and assets of Indian resident companies, FLAS also captures information under Co-ordinated Portfolio Investment Survey (CPIS) on their holdings of portfolio investment assets in the form of equity, long-term and short-term debt at end-December. Total portfolio assets of MFs held abroad, which remained entirely in equity and no investment in debt securities, increased from ₹942 crore in December 2006 to ₹3,839 crore in December 2007 and remained around that level in December 2008. Luxembourg, which had no share in total portfolio assets of MFs in 2006, got a lion's share in its subsequent surge and accounted for 59.4 per cent (₹2,275.8 crore) of the total portfolio assets in December 2008. Switzerland and Cayman Islands, which accounted for a portion of assets after 2007 held 6.7 per cent and 3.6 per cent of total assets, respectively, in December 2008. The assets held in the United States

Table 7: Asset Management Companies – Country-wise Distribution of Foreign Assets

Country	End March				Variation					
					Absolute			Per cent		
	2006	2007	2008	2009	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
	1	2	3	4	5	6	7	8	9	10
Guernsey	19.5 (62.4)	36.9 (59.0)	36.9 (50.5)	36.9 (52.9)	17.4	0.0	0.0	89.6	0.0	0.0
Mauritius	1.2 (3.8)	5.1 (8.2)	11.6 (15.9)	21.0 (30.1)	3.9	6.5	9.4	333.3	127.2	80.7
Singapore	0.5 (1.7)	5.8 (9.3)	6.8 (9.3)	7.0 (10.0)	5.3	1.0	0.2	968.2	16.7	3.0
United Kingdom	0.6 (2.0)	5.6 (9.0)	5.1 (7.0)	2.2 (3.1)	5.0	-0.5	-2.9	812.9	-8.9	-57.4
China	0.2 (0.7)	0.1 (0.2)	0.2 (0.3)	1.2 (1.7)	-0.1	0.1	0.9	-36.8	92.8	364.9
USA	1.5 (4.7)	2.8 (4.5)	1.2 (1.7)	0.8 (1.1)	1.4	-1.6	-0.4	93.2	-56.9	-36.4
Sri Lanka	0.3 (0.8)	0.2 (0.3)	0.2 (0.3)	0.2 (0.2)	0.0	0.0	-0.1	-16.7	9.4	-28.8
Canada	0.8 (2.5)	0.5 (0.7)	0.0 **	0.0 **	-0.3	-0.5	0.0	-40.1	-100.0	**
Japan	6.2 (19.8)	5.2 (8.2)	5.0 (6.9)	0.0 **	-1.0	-0.2	-5.0	-16.7	-2.9	-100.0
Others	0.5 (1.6)	0.4 (0.6)	6.0 (8.2)	0.6 (0.9)	-0.1	5.7	-5.4	-29.4	1,573.2	-90.1
Total	31.2	62.6	73.1	69.7	31.4	10.5	-3.4	100.5	16.9	-4.7

Figures in parentheses are percentage share to total.

** Nil or negligible denominator.

increased to ₹394 crore in December 2008 from ₹67 crore as at December 2006. Wherever destination country was not reported or the country-wise contribution was very small, the destination was clubbed under the category 'Others' and such assets had nearly 7.1 per cent share in total portfolio assets of MFs held abroad in December 2008 (Table 8).

Section V

Reinvested Earnings of AMCs

Reinvested earning is the foreign direct investor's share in resident company's retained earnings, which is the difference (positive or negative) between a company's net profit/loss and its distributed dividends. Reinvested earnings are included in the BoP within the double-entry book-keeping principle by (a) including it in the financial accounts as part of FDI to reflect the direct investor's increased investment in the foreign subsidiary, associates or branch and (b) recording as a investment income payments in the current account, representing the direct investor's income on equity investment.

Reinvested earnings of the AMCs sharply increased from ₹51.5 crore in 2006-07 to ₹166.6 crore in 2007-08 reflecting the increased profits earning by the AMCs during this period. Subsequently, with decline in corporate profitability during the global crisis period, reinvested earnings declined marginally to ₹160.2 crore in 2008-09 (Table 9).

Table 9: Reinvested Earnings of Asset Management Companies

	(₹crore)		
	2006-07	2007-08	2008-09
	1	2	3
Reinvested Earnings	51.5	166.6	160.2

Section VI

Conclusion

The foreign assets and liabilities of the mutual fund and asset management companies have increased substantially during 2006-09. Apart from y-o-y increase in the stock of foreign assets and liabilities of the 31 common companies, which have responded in all the four years from 2006 to 2009, an increase in number of MFs has also led to an increase in the overall foreign asset and liability position of the Indian Mutual Funds industry. The foreign liabilities of MFs companies are largely on account of issue of mutual fund units to non-residents. Since most of the responses from MFs did not include the country of the foreign investor and Indian address was given for NRI investors, about three-fourths of the foreign liabilities were classified under the category 'Others', while classifying the foreign liabilities as per country of investor. Among the remaining, UAE accounted for the major share of liabilities. The foreign liabilities increased at a fast pace reflecting the increasing interest of foreign investors in the Indian economy. The foreign liabilities of the mutual fund companies were seven times the

Table 8: Mutual Fund Companies – Portfolio Assets held Abroad

ECountry	End-Dec									Variation			
	2006			2007			2008			Absolute		Per cent	
	Equity	Debt	Total	Equity	Debt	Total	Equity	Debt	Total	2006-07	2007-08	2006-07	2007-08
	1	2	3	4	5	6	7	8	9	10	11	12	13
Luxembourg	0	0	0	2,568.3	0	2,568.3	2,275.8	0	2,275.8	2,568.3	-292.5	**	-11.4
United States	67.4	0	67.4	160.1	0	160.1	394.0	0	394.0	92.7	234.0	137.5	146.3
Switzerland	0.0	0	0.0	0.0	0	0.0	257.3	0	257.3	0.0	257.3	**	**
Hong Kong	37.9	0	37.9	130.3	0	130.3	209.8	0	209.8	92.4	79.5	243.8	61.0
Ireland	412.2	0	412.2	363.2	0	363.2	160.9	0	160.9	-49.0	-202.3	-11.9	-55.7
Cayman Islands	0.0	0	0.0	0.0	0	0.0	137.7	0	137.7	0.0	137.7	0.0	**
South Korea	98.8	0	98.8	213.1	0	213.1	123.9	0	123.9	114.3	-89.1	115.7	-41.9
Others	325.7	0	325.7	403.5	0	403.5	271.8	0	271.8	77.9	-131.7	23.9	-32.6
Total	941.9	0	941.9	3,838.5	0	3,838.5	3,831.3	0	3,831.3	2,896.6	-7.2	307.5	-0.2

** Nil or negligible denominator.

Article

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foreign assets held by them. High surge in profitability of the Indian corporate sector led to three-fold increase in the reinvested earnings of AMCs during 2007-08.

After liberalisation of the policies on overseas investment by MFs, their foreign assets increased sharply and portfolio assets constituted a major portion

of such assets. Within portfolio investment, the assets were solely on account of overseas mutual fund units and equity investment and no MF had invested in debt securities abroad. Tightening of liquidity conditions due to the global financial crisis led to a decline in the portfolio assets of the mutual fund companies during December 2007 to December 2008.

Annex I

CONFIDENTIAL

RESERVE BANK OF INDIA

Department of Statistics and Information Management

SURVEY OF INDIA'S FOREIGN LIABILITIES AND ASSETS, 2008 & 2009

SCHEDULE 4

(To be filled in by Asset Management Company/Mutual Fund Company as applicable)

Please read the **instructions** carefully before filling-in this schedule.

Identification Particulars

1. Name and full postal address _____

- For RBI use
Company Code

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2. Account Closing Date : _____
3. Contact Person : _____ Designation : _____
4. Telephone No. _____ Fax No. : _____
5. e-mail: _____
6. If any change in Company Name then please specify the old and new company name:
 Old Company Name _____ New Company Name _____
 Effective date _____

Note: Please use additional sheet(s) using the same format if any Block is not sufficient to report all your data.**Block 1: Foreign Liabilities and Assets**

Item Code	Item		Amounts in lakh of Rupees	
			End-March 2008	End-March 2009
100	Units issued to & outstanding in the name of non-residents (please furnish details in Block 2)	Total face value of units		
		Total face value of Non-resident holdings		
		Total face value of Unit Premium Reserves		
		Total Market value of units		
		Total Market value of Non-resident holdings		
		Total Market value of Unit Premium Reserves		
200	Total Other Foreign Liabilities (please furnish details in Block 3)			
300	Total Foreign Assets (please furnish details in Block 4)			

Article

Survey of India's Foreign Liabilities and Assets for the Mutual Fund Companies (2006-2009)

Annex I

Block 2: Units Issued to and Outstanding in the name of Non-Residents

(Amount in lakh of Rupees)

(Amount in lakh of Rupees)

Country of residence of unit holder		Face value as on March 31, 2008		Market value as on March 31, 2008		Country of residence of unit holder		Face value as on March 31, 2009		Market value as on March 31, 2009			
Sr. No.	Description	For RBI use	Face value of non-resident	Unit Premium Reserve holding	Market value of non-resident holdings	Unit Premium Reserve	Sr. No.	Description	For RBI use	Face value of non-resident	Unit Premium Reserve holding	Market value of non-resident holdings	Unit Premium Reserve

Note : (1) For the purpose of valuation, market value should relate to
i) The mid-value of the stock market buy and sell closing rates on the reference dates (31/03/2008 & 2009) in case, stock markets were closed on the reference dates, rates prevailing on the previous working day should be used.
ii) In case the market value is not available, net asset value per instrument on the reference dates should be used.
(2) All Schemes where non-residents (individuals, companies and associates) are eligible to participate should be covered. It is not necessary to give scheme-wise figures. Aggregate for all such schemes should only be reported.

Block 3: Other Foreign Liabilities

(Please indicate here foreign liabilities arising out of Mutual Fund, unpaid income distribution to non-residents, sale proceeds awaiting repatriation etc.)

Sr. No.	Description of the liability	Country of residence of creditor		Currency of denomination		As on March 31, 2008		As on March 31, 2009	
		Description	For RBI use	Description	For RBI use	Amount in foreign currency (in actuals)	Amount in Rupees lakh	Amount in foreign currency (in actuals)	Amount in Rupees lakh
1	2	3	4	5	6	7	8	9	10

BLOCK 4: Foreign Assets

Sr. No.	Description of the assets	Country of residence location of debtor		Currency of denomination		Amount as on March 31, 2008		Amount as on March 31, 2009	
		Description	For RBI use	Description	For RBI use	Amount in foreign currency (in actuals)	Amount in Rupees lakh	Amount in foreign currency (in actuals)	Amount in Rupees lakh
1	2	3	4	5	6	7	8	9	10

Certificate

We hereby certify that all the figures and facts furnished in this schedule reflect the accurate position of the company and are reported after understanding all the items of all the blocks of the schedule.

Place :

Date :

Signature of the authorised person
Seal/Stamp of the Company

Annex I

RESERVE BANK OF INDIA*(Department of Statistics and Information Management, Mumbai)***SURVEY ON INDIA'S FOREIGN LIABILITIES AND ASSETS, 2008-09: SCHEDULE 1**

Please read the instructions carefully before filling-in this Schedule

Identification Particulars

1. Name and Address of the Indian Company

For RBI use
COMPANY CODE

--	--	--	--	--

City: _____ Pin: _____

State: _____

2. Name of the CONTACT PERSON : _____ DESIGNATION: _____

STD code: _____ Tel. _____ Fax: _____ email: _____

3. Account closing date: (dd/mm/yy) _____ Web Site (if any): _____

4. If any change in Company Name then please specify the old and new Company Name:

Old Company Name _____ New Company Name _____

Effective date _____

5. Nature of Business: Please tick (✓) the appropriate group of activity to which your principal line of business pertains and also mention, if possible, the NIC code in the bracket.

1. Power ()		4. Electrical & Electronics ()		7. Non-financial services ()		10. Financial Services ()	
2. Telecom ()		5. Hotels & Tourism ()		8. Metallurgical Industry & Mining ()		11 Food Processing Industry ()	
3. Transportation ()		6. Petroleum & Natural Gas ()		9. Chemicals (other than fertilisers) ()		12 Others (Specify) ()	

6. State the main product(s), produced or distributed or main service (s) rendered.

Product/Service	Percent share in total sales	For RBI use (Industry Code)			
_____	_____	<table border="1"><tr><td> </td><td> </td><td> </td></tr></table>			

7. Name of the State(s) where major portion of investments have taken place.

8. Whether your company has investment outside India [please tick (✓)]

Yes	<input type="checkbox"/>
-----	--------------------------

No	<input type="checkbox"/>
----	--------------------------

Article

Survey of India's Foreign Liabilities and Assets for the Mutual Fund Companies (2006-2009)

Annex I

Block 1A: Total Paid-up Capital of Indian Company

Item	March 2008		March 2009	
	Number of Shares	Amount in lakh of Rupees	Number of Shares	Amount in lakh of Rupees
1.0 Total Paid up Capital [(i) + (ii)]				
(i) Ordinary/Equity Share				
(ii) Preference Share [(a) + (b)]				
(a) participating				
(b) Non-participating				
Non-Resident Holdings (Equity)				
2.0 Non-resident Equity Holdings (2.1+2.2+2.3+2.4)				
<i>of which held by</i>				
2.1. Foreign Collaborators/Promoters				
2.2 NRIs/OCBs				
2.3 FIIs				
2.4 Other non-residents				

Block 1B: Free Reserves & Surplus and Retained Profit

Item	Amount in lakh of Rupees at the end of	
	March 2008	March 2009
3.1 Free Reserves & Surplus as at the end of		
3.2 Profit after tax during the year ending		
3.3 Dividend Declared during the year ending (excluding tax on dividend)		
3.4 Retained Profit/loss (3.2 -3.3)		

FOREIGN LIABILITIES

Block 2A: Foreign Direct Investment in India (Directly by Direct Investor)

[Please furnish here the outstanding investments of those **non-resident investors (Direct Investors)** who were holding **10 per cent or more** ordinary shares of **your company** on the reporting date]. ***If this block is Non-NIL then please give the Name & Addresses of your subsidiary in India, if any, in BLOCK 8.***

Name of the non-resident Company/ Individual	Type of Capital	Country of non-resident investor	Amount in lakh of Rupees at the end of	
			March 2008	March 2009
	1.0 Equity Capital (1.2-1.1)			
	1.1 Claims on Direct Investor			
	1.2 Liabilities to Direct Investor			
	2.0 Other Capital(2.2-2.1)			
	2.1 Claims on Direct Investor			
	2.2 Liabilities to Direct Investor			
	3.0 Disinvestments in India during the year			

Note: (i) If investor is a company, then country is the country of incorporation.

(ii) Please use different sheet using same Format to report different non-resident company/individual.

Annex I

Block 2B: Foreign Direct Investment in India [Indirect Investment by Direct Investor (DI)]

In case, if your company has direct investor, as mentioned in Block 2A, then please furnish the investment made by the overseas **subsidiary(ies)/associate(s)/branch(es) of your DI abroad in your company** even if its share in your company is less than 10%.

Name of the non-resident Company/ Individual	Type of Capital	Country of non-resident investor	Amount in lakh of Rupees at the end of	
			March 2008	March 2009
	1.0 Equity Capital (1.2-1.1)			
	1.1 Claims on Direct Investor			
	1.2 Liabilities to Direct Investor			
	2.0 Other Capital (2.2-2.1)			
	2.1 Claims on Direct Investor			
	2.2 Liabilities to Direct Investor			
	3.0 Disinvestments in India during the year			

Note: (i) If investor is a company, then country is the country of incorporation.

(ii) Please use different sheet using same Format to report different non-resident company/individual.

Portfolio and Other Liabilities to Non-residents**Block 3A: Portfolio Investment**

Please furnish here the outstanding investments by non-resident investors who were **holding less than 10% of ordinary shares** of your company on the reporting date.

Portfolio Investment	Country of non-resident investor	Amount in lakh of Rupees at the end of	
		March 2008	March 2009
1.0 Equity Securities			
2.0 Debt Securities(2.0 = 2.1+2.2)			
2.1 Bonds and Notes (maturity more than 1 year)			
2.2 Money Market Instruments (maturity upto1 year)			
3.0 Disinvestments in India during the year			

Note: Data pertaining to each type of investment are to be reported consolidating the information country-wise. If more countries are involved to report the data for the particular type(s) of investment, it should be reported in the same format using additional sheets separately for each country.

Block 3B: Financial Derivatives

Please furnish here the outstanding foreign liabilities on account of financial derivatives.

Financial Derivatives	Country of non-resident investor	Amount in lakh of Rupees at the end of	
		March 2008	March 2009
Financial Derivatives			

Note: If more countries are involved to report the data for the particular type(s) of investment, it should be reported in the same format using additional sheets separately for each country.

Annex I

Block 3C: Other Investments:

This is a residual category that includes all financial outstanding not considered as direct investment or portfolio investment.

Other Investment	Country of non-resident investor	Amount in lakh of Rupees at the end of	
		March 2008	March 2009
4.0 Trade Credit (4.0 = 4.1+4.2)			
4.1 Short-Term (4.1 = 4.1.1+4.1.2)			
4.1.1. Up to 6 Months			
4.1.2. 6 Months to 1 Year			
4.2. Long-Term			
5.0 Loans (5.0 = 5.1+5.2)	As the details of the loans availed by your company are collected through Authorised Dealers separately by RBI in ECB returns these details need not be filled in.		
5.1 Short-Term			
5.2 Long-Term			
6.0 Other Liabilities (6.0 = 6.1+6.2)			
6.1 Short-Term (Up to 1 yr.)			
6.2 Long-Term			

Note: (1) Data pertaining to each type of investment are to be reported consolidating the information country-wise. If more countries are involved to report the data for the particular type(s) of investment, it should be reported in the same format using additional sheets separately for each country.

FOREIGN ASSETS

Please use the exchange rate as at end-March/end-December (as applicable) of reporting year while reporting the foreign assets in ₹ lakh.

Block 4: Direct Investment Abroad

[Please furnish here your outstanding investments in direct investment enterprises (DIEs), i.e. the non-resident enterprises in each of which your company held 10 per cent or more shares of that non-resident enterprise on the reporting date]. *If this block is Non-NIL, then please furnish the information in BLOCK 6.*

Name of the non-resident DIE	Type of Capital	Country of non-resident enterprise	Amount in lakh of Rupees at the end of	
			March 2008	March 2009
	1.0 Equity Capital (1.1-1.2)			
	1.1 Claim on DIE			
	1.2 Liabilities to DIE			
	2.0 Other Capital (2.1-2.2)			
	2.1 Claim on DIE			
	2.2 Liabilities to DIE			
	3.0 Disinvestments Abroad during the year			

Note: Please use separate sheet using same Format to report separate DIE.

Annex I

Portfolio and Other Assets Abroad

Block 5A: Portfolio Investment Abroad

Please furnish here the outstanding investments in non-resident enterprises in each of which **you are holding less than 10% of ordinary shares** of that non-resident company on the reporting date.

Portfolio Investment	Country of non-resident enterprise	Amount in lakh of Rupees at the end of		
		March 2008	December 2008*	March 2009
1.0 Equity Securities				
2.0 Debt Securities (2.0=2.1+2.2)				
2.1 Bonds and Notes (maturity more than 1 year)				
2.2 Money Market Instruments (maturity upto 1 yr)				
3.0 Disinvestments Abroad during the year				

* The figures as on December 2008 are required for the Co-ordinated Portfolio Investment Survey.

Note: (1) Data pertaining to each type of investment are to be reported consolidating the information country-wise. If more countries are involved to report the data for the particular type(s) of investment, it should be reported in the same format using additional sheets separately for each country.

Block 5B: Financial Derivatives

Please furnish here the outstanding foreign assets on account of financial derivatives.

Financial Derivatives	Country of non-resident enterprise	Amount in lakh of Rupees at the end of	
		March 2008	March 2009
Financial Derivatives			

Block 5C: Other Investment:

This is a residual category that includes all financial outstanding not considered as direct investment or portfolio investment

Other Investment	Country of non-resident enterprise	Amount in lakh of Rupees at the end of	
		March 2008	March 2009
4.0 Trade Credit (4.0=4.1+4.2)			
4.1 Short-Term (4.1=4.1.1+4.1.2)			
4.1.1. Up to 6 Months			
4.1.2. 6 Months to 1 Year			
4.2 Long-Term			
5.0 Loans (5.0=5.1+5.2)			
5.1 Short-Term (Up to 1 year)			
5.2 Long-Term			
6.0 Other Assets (6.0=6.1+6.2)			
6.1 Currency & Deposits			
6.2 Others			

Note: (1) Data pertaining to each type of investment are to be reported consolidating the information country-wise. If more countries are involved to report the data for the particular type(s) of investment, it should be reported in the same format using additional sheets separately for each country.

Annex I

Block 6: Equity Capital, Free Reserves & Surplus of Direct Investment Enterprise Abroad

[Please report here the total equity, the equity held by **your company** and the total free reserves & surplus of those non-resident enterprises in each of which **your company** held 10 per cent or more shares on the reporting date]. **If this block is Non-NIL then please furnish the information in BLOCK 4.**

Name of the DIE	Item	Currency	Amount in Foreign Currency at the end of (in actuals)	
			March 2008	March 2009
	1	2	3	4
	1. Total Equity of DIE			
	2. Equity of DIE held by you			
	3. Free Reserves & Surplus of DIE			
	4. Dividend Received by you			
	5. Amount of your Profit retained by DIE			

Note: (1) If your company is a Direct Investor in more than one DIE, the data should be provided in the same format in respect of each such DIE using additional sheets.

(2) All the amounts to be reported in Cols. 4 & 5 should be given in actual and in the currency mentioned in Col. 3.

Block 7: Contingent Foreign Liabilities

[Please report here the relevant details about the contingent foreign liabilities of your company]

Description of Contingent Liability [@]	Country ^{\$}	Currency [#]	Amount in Foreign Currency at the end of (in actuals)	
			March 2008	March 2009
	1	2	3	4

[@] If **your company** has extended a guarantee to a loan taken by non-resident party (may be your subsidiary abroad), such guarantees are part of your contingent foreign liabilities.

Under Col.1, 'Loan Guarantee' needs to be mentioned (refer the definition of contingent liabilities).

^{\$} Country should relate to the country of location of the non-resident creditor involved in the transaction. To illustrate, as mentioned above, if the contingent foreign liability is in connection with guarantees on loans, the country of location of the non-resident creditor to whom such guarantees are given, needs to be reported in Col. 2.

[#] Currency of denomination of the contingent foreign liability should be mentioned in Col. 3.

Note: All the amounts to be reported in Cols. 4 & 5 should be given in actual and in the currency mentioned in Col. 3.

Annex I

BLOCK 8: Name(s) & Address(es) of your subsidiary in India

Sr. Nos.	Name of Subsidiary in India*	Your Equity holding in subsidiary (%)	Address	Retained profit of your subsidiary in India (Amount in lakh of Rupees)

* Please furnish the Balance Sheet of your subsidiary in India.

Certificate

We hereby certify that all the facts and figures furnished in this schedule reflect the accurate position of the company and are reported after understanding all the items of all the blocks of the schedule.

Place :

Signature and Name of the Authorised person

Date :

Seal/Stamp of the Company

Anne1x II

List of mutual fund companies which responded to FLAS in 2008-09

1. AIG Global Asset Management Company (India) Pvt Ltd.
2. Alliance Capital Asset Management India Pvt Ltd.
3. Baroda Pioneer Asset Management Company Ltd.
4. Benchmark Asset Management Co. Pvt Ltd.
5. Bharti Axa Trustee Services Pvt Ltd.
6. Birla Sun Life Asset Management Co. Ltd.
7. Canara Robeco Asset Management Co Ltd.
8. DBS Cholamandalam Asset Management Company Ltd.
9. Deutsche Asset Mgmt(India) Pvt. Ltd.
10. DSP Blackrock Mutual Fund
11. Edelweiss Asset Management Ltd.
12. Escorts Asset Management Ltd.
13. FIL Fund Management Pvt Ltd.
14. Fortis Investment Management India Pvt Ltd.
15. Franklin Templeton Asset Mgmt. (I) Pvt. Ltd.
16. HDFC Asset Mgmt. Co. Ltd.
17. HSBC Asset Management (I) Private Limited
18. ICICI Prudential Asset Mgmt. Co. Ltd.
19. IDFC Asset Management Company Pvt Ltd.
20. ING Investment Mgmt(India)Pvt. Ltd.
21. LIC Mutual Fund Asset Management Company Ltd.
22. JM Financial Asset Management Pvt. Ltd.
23. JP Morgan Asset Management India Pvt Ltd.
24. KJMC Asset Management Company Ltd.
25. Kotak Mahindra Asset Mgmt. Co. Ltd.
26. MIRAE Asset Global Investment Management (India) Pvt Ltd.
27. Morgan Stanley Investment Mgmt Pvt. Ltd.
28. Principal Pnb Asset Management Company Private Ltd.
29. Quantum Asset Management Co Private Ltd.
30. Reliance Capital Asset Mgmt. Ltd.
31. Religare Aegon Asset Management Company Ltd.
32. Religare Asset Management Company Pvt Ltd.
33. Sahara Asset Management Co. Pvt. Ltd.
34. SBI Funds Management Private Ltd.
35. Shinsei Asset Mgt India Pvt Ltd.
36. Shriram Asset Management Co. Ltd.
37. Sundaram BNP Paribas Asset Management Company Ltd.
38. Tata Asset Management Ltd.
39. Taurus Asset Management Co. Ltd.
40. UTI Asset Management Co. Pvt. Ltd.