



**INDEPENDENT AUDITORS' REPORT**

To the Members of BDI AXA Investment Managers Private Limited  
Report on the Standalone Financial Statements

**Opinion**

- 1 We have audited the standalone financial statements of BDI AXA Investment Managers Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")
- 2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Loss and its Cash Flows for the year ended on that date.

**Basis of Opinion**

- 3 We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

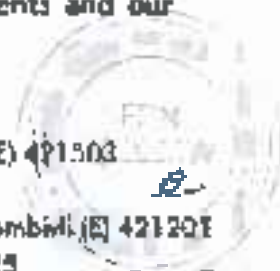
**Information other than the Standalone Financial Statements and Auditor's Report Thereon**

- 4 The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Director's Report but does not include the standalone financial statements and our auditor's report thereon.

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The Director's report is expected to be made available to us after the date of this auditor's report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

#### Management's Responsibility for the Standalone Financial Statements

5. The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.



**Auditor's Responsibility for audit of Standalone Financial Statement**

6 Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the standalone financial statements, in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

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- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements. We communicate with the Management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Report on Other Legal and Regulatory Requirements

7. As specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India, in terms of sub-section 11 of section 143 of the Companies Act, 2013, we give our report in Annexure A attached to this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
8. As required by Section 143 (3) of the Act, we report that
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

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- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act
- (f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts outstanding as on March 31, 2020 for which there were any material foreseeable losses.
- iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company

9. As required by Section 143(5) of the Act and in pursuance of the directions issued by the Office of CAG for the year 2019-20, we report that

- i. The Company has a system in place to process all the accounting transactions through IT system. According to the information and explanations given to us, and on the basis of our examination there are no accounting transactions processed outside IT system impacting the integrity of the accounts
- ii. According to information and explanations given to us and based on the records of the company examined by us, there are no restructuring of an existing loans or cases of waivers or write-off of any debts or loans or interest etc made by a lender to the company due to company's inability to repay the loan.





# Ambekar Shelar Karve & Ambardekar Chartered Accountant

III According to the information and explanations given to us, and on the basis of our examination of the records of the Company, there are no funds received or receivable from Central or State agencies

Date: June 11, 2020  
Place: Mumbai

For Ambekar Shelar Karve & Ambardekar  
Chartered Accountants  
Reg No: 122063W



*Sanket Mohan Chitale*  
CA Sanket Mohan Chitale  
Partner  
M.No: 149886  
UDIN: 20149886AAAAAE3167

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**Annexure A Report under the Companies (Auditor's Report) Order, 2016**

**As referred to in paragraph 6 of our report of even date to the Members of BDI AXA Investment Managers Private Limited on standalone Financial Statements of the Company for the year ended on March 31, 2020**

In terms of the information and explanations sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

**I In respect of Fixed Assets**

(a) The company has maintained proper system to record the transactions and maintain books of accounts and records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the company have been physically verified by the management at reasonable intervals and according to information and explanation given to us, no material discrepancies were noted on such verification.

(c) According to information and explanation given to us, the Company does not own any immovable property and hence requirements of clause (i) (c) of paragraph 3 of the Order is not applicable.

II As per information and explanation given to us, the nature of activities of the Company, during the year does not involve use of inventory and accordingly clause (ii) of paragraph 3 of the order is not applicable.

III As per information and explanation given to us, the Company has not granted any loans secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act and hence provisions of clause (iii) of the paragraph 3 of the order are not applicable.

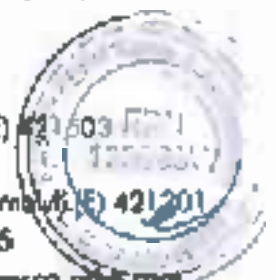
IV As per information and explanation given to us, the Company has not given any guarantee or security to any third party and therefore compliance with provisions of sections 185 and 186 of the Companies Act, 2013 while giving guarantee and security to a third party is not applicable.

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- v As per information and explanation given to us, the Company has not accepted any deposits within meaning of section 73 to 76 from the public and therefore clause 5 is not applicable
- vi As per information and explanation given to us, the maintenance of cost records has not been prescribed under sub section (1) section 148 of the Act
- vii As per information and explanation given to us and on the basis of examination of records of the company, in respect of Statutory dues,

(a) the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, Income tax, GST, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues to the extent applicable to it

(b) there are no dues of income tax, GST, sales tax, custom duty, wealth tax, excise duty and Cess which have not been deposited on account of any dispute.

- viii Based on our audit procedures and according to the information and explanations given to us, the Company does not have any dues to a financial institution, bank, Government or dues to debenture holders and therefore the clause (vii) of paragraph 3 of the Order is not applicable
- ix As per information and explanation given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instrument) or taken any term loan and therefore clause (ix) of the paragraph 3 of the Order is not applicable.
- x During the course of our examination of the books and the records of the Company carried in accordance with the Auditing Standards generally accepted in India, we have come across the following instances of fraud by the employees; these instances have been reported by the internal auditors of the company in their report

Nature of Fraud	No of cases	Amount involved	Action taken by the Company
Use of Corporate credit card to incur personal expenses by the employees	Two	\$6,425	Amount recovered from employees

Except above no other instances of fraud by the company or on Company by its officers are noticed or reported during the year nor have we been informed of any such instance by the Management







- x) The company being private limited company. The provisions of section 197 read with Schedule V to the Companies Act are applicable not to private company, hence clause (x) of paragraph 3 of the Order is not applicable to the company.
- xii) <sup>AS</sup><sub>N</sub> per information and explanation given to us and in our opinion the company is not a Public Company hence clause (xii) of paragraph 3 of the Order is not applicable.
- xiii) AS per information and explanation provided to us the Company being private company the provisions of section 177 read with Rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014 are not applicable to it. All transactions with related parties are disclosed in the Financial statements as required by the applicable accounting standards, they do not attract the provisions of section 188 of the Companies Act, 2013
- xiv) AS per information and explanation provided to us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore clause (xiv) of paragraph 3 of the Order is not applicable
- xv) AS per information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause (xv) of paragraph 3 of the Order is not applicable
- xvi) AS per information and explanation given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For Ambekar Shelar Karve & Ambardekar  
Chartered Accountants  
FRN : 122063W

*Sanket*

CA Sanket Mohan Chitale  
Membership No. 149886  
Date : June, 11, 2023  
Place : Mumbai



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**Annexure B Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

As referred to in paragraph 7 (a) of our report of even date to the Members of BDI AXA Investment Managers Private Limited on standalone Financial Statements of the Company for the year ended on March 31, 2020

We have audited the internal financial controls over financial reporting of BDI AXA Investment Managers Private Limited (the Company) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.



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**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal financial controls system over financial reporting and such Internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by ICAI

For Ambekar Shelar Karve & Ambardekar  
Chartered Accountants  
FRN : 122063W

CA Sanket Mohan Chitale  
Membership No. 149886  
Date : June 11, 2020  
Place : Mumbai



**UDIN**  
**BOI AXA Investment Managers Private Limited**  
**Statutory Audit - Financial Year 2019-20**  
**Auditors - Ambekar Shelar Karve & Ambedekar, Chartered Accountants**  
**Date of Signing - June 11, 2020**

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BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
AUDITED BALANCE SHEET AS AT MARCH 31, 2020

	Notes	As at March 31, 2020	Amount in ₹ (000) As at March 31, 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	2,146,035.84	2,146,035.84
Reserves and Surplus	4	(1,617,939.70)	(1,559,476.98)
<b>Non-current Liabilities</b>			
Long-term Provisions	5	14,402.00	16,607.00
<b>Current Liabilities</b>			
Trade Payables	6		345.00
Other Current Liabilities	7	29,000.32	84,463.25
Short-term Provisions	8	6,289.00	2,194.00
<b>TOTAL</b>		<b>577,787.46</b>	<b>690,168.11</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	8,868.80	9,821.95
Intangible Assets	10	1,506.73	3,404.50
Long-term Loans and Advances	11	50,944.71	36,293.67
Non Current Investment	12	48,468.59	43,468.59
<b>Current Assets</b>			
Current Investments	13	439,000.00	530,000.05
Trade Receivables	14	16,906.36	35,841.40
Other Receivables	15	21.16	3,727.29
Cash and Bank Balances	16	402.60	281.20
Short-term Loans and Advances	17	11,669.01	27,329.46
<b>TOTAL</b>		<b>577,787.46</b>	<b>690,168.11</b>

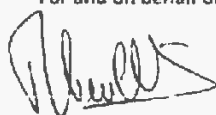
Significant Accounting Policies and other Notes to Accounts form an integral part of Financial Statements.

As per our report of even date  
Ambekar Shelar Karve & Ambardekar  
Chartered Accountants  
Firm Registration No.122063W



Sanket Mohan Chitale  
Partner (M.No.149886)

For and on behalf of the Board of Directors



Director  
DIN:




Director  
DIN:

  
Chief Executive Officer

  
Deputy Chief Executive Officer

Place Mumbai  
Date: June 11, 2020

  
Company Secretary  
ACS (12416)



901 AXA INVESTMENT MANAGERS PRIVATE LIMITED  
 AUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

	Notes	Year Ended March 31, 2020	Amount in ₹ (000) Year Ended March 31, 2019
<b>INCOME</b>			
Revenue from Operation	18	224,505.34	534,242.58
Other Income	19	30,005.54	37,499.19
<b>TOTAL</b>		<b>254,510.88</b>	<b>571,741.77</b>
<b>EXPENDITURE</b>			
Employee Benefit Expense	20	149,172.40	208,009.70
Finance Costs			
Other Expenses	21	158,670.25	368,664.00
Depreciation and Amortisation Expense	22	5,130.95	4,906.32
<b>TOTAL</b>		<b>312,973.60</b>	<b>581,580.02</b>
Loss Before Tax		(58,462.72)	(9,838.25)
<b>Tax Expense</b>			
Current Tax	23		
Deferred Tax			
Loss for the year		<b>(58,462.72)</b>	<b>(9,838.25)</b>
Earning per equity share (face value of ₹ 10 each) (Basic and Diluted)	24	(0.27)	(0.05)

Significant Accounting Policies and other Notes to Accounts form an integral part of Financial Statements

As per our report of even date  
**Ambekar Shelar Karve & Ambardekar**  
 Chartered Accountants  
 Firm Registration No. 122063W



Sanket Mohan Chitale  
 Partner (M.No.149886)

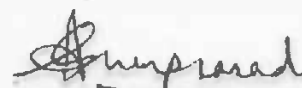


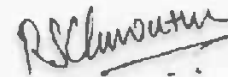
For and on behalf of the Board of Directors

  
 Director  
 DIN:

  
 Director  
 DIN:

  
 Chief Executive Officer

  
 Deputy Chief Executive Officer



Company Secretary  
 ACS (12416)

Place: Mumbai  
 Date: June 11, 2020



BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	March 31, 2020	Amount in ₹ (000)	
		March 31, 2019	
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net profit / (loss) before taxation	(58,462.72)	(9,838.25)	
Add/(Less) adjustments for:			
Depreciation	5,130.95	4,906.32	
Loss/(Profit) on sale of Investments (net)	(29,437.10)	(37,446.31)	
Loss/(Profit) on sale of Fixed Assets (net)	(0.78)	(51.86)	
Provision for Leave Encashment	198.00	367.00	
Provision for Gratuity	1,692.00	3,881.00	
Provision for Other Employee Benefits	(22,416.93)	(28,341.85)	
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(80,879.65)</b>	<b>(38,182.10)</b>	
Add/(Less) adjustments for:			
(Increase)/Decrease in Current Assets	58,301.62	36,533.75	
Increase/(Decrease) in Current Liabilities	(55,807.93)	(37,718.95)	
(Increase)/Decrease in Loans and Advances	(14,651.04)	11,436.84	
<b>NET CASH (USED IN)/FROM OPERATING ACTIVITIES (A)</b>	<b>(113,037.00)</b>	<b>(26,745.25)</b>	
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
Purchase of Fixed Assets	(2,279.53)	(3,433.25)	
Proceeds from sale of Fixed Assets	0.78	51.86	
Purchase of Investments	(5,912,620.73)	(10,888,124.44)	
Proceeds from sale of Investments	6,028,057.88	26,164.91	
<b>NET CASH (USED IN)/FROM INVESTMENTS ACTIVITIES (B)</b>	<b>113,158.40</b>	<b>26,064.91</b>	
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of Share Capital			
Proceeds from share premium on issue of Share Capital			
Proceeds from Long term Borrowings			
Repayment of Long term Borrowings			
<b>NET CASH (USED IN)/FROM FINANCING ACTIVITIES (C)</b>			
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>121.40</b>	<b>(680.34)</b>	
<b>CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR (M)</b>	<b>281.20</b>	<b>961.54</b>	
<b>CASH AND CASH EQUIVALENT AT THE END OF THE YEAR (N)</b>	<b>402.60</b>	<b>281.20</b>	

# Cash and cash equivalents consist of cash on hand and balances with banks

As per our report of even date  
Ambekar Shelar Karve & Ambardekar  
Chartered Accountants  
Firm Registration No. 122063W



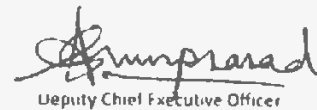
Sanket Mohan Chikale  
Partner (M No. 149886)

For and on behalf of the Board of Directors

  
Director  
DIN:

  
Director  
DIN:

  
Chief Executive Officer

  
Deputy Chief Executive Officer



Company Secretary  
ACS (12416)

Place: Mumbai  
Date: June 11, 2020





**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

**3. SHARE CAPITAL**

	As at March 31, 2020	Amount in ₹ (000) As at March 31, 2019
<b>Authorised:</b>		
215,000,000 (Previous year 215,000,000) Equity Shares of ₹ 10 each	2,150,000.00	2,150,000.00
<b>Issued, Subscribed And Paid Up:</b>		
214,603,584 (Previous year 214,603,584) Equity Shares of ₹ 10 each, fully paid up	2,146,035.84	2,146,035.84
	<b>2,146,035.84</b>	<b>2,146,035.84</b>

**(a) Reconciliation of number of shares**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
	Balance as at the beginning of the year	214,603,584	2,146,035.84	214,603,584
Add : Shares issued during the year	-	-	-	-
Balance as at the end of the year	<b>214,603,584</b>	<b>2,146,035.84</b>	<b>214,603,584</b>	<b>2,146,035.84</b>

**(b) Terms/rights attached to equity shares:**

The Company has only one class of shares referred as equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to same rights in all respect.

**(c) Shares held by holding company**

Name of Shareholder	As at March 31, 2020	Amount in ₹ (000) As at March 31, 2019
	Bank of India	1,094,478.28
109,447,828 (Previous year 109,447,828) Equity Shares of ₹ 10 each fully paid up	<b>1,094,478.28</b>	<b>1,094,478.28</b>

**(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	Number	% of holding	Number	% of holding
Bank of India	109,447,828	51%	109,447,828	51%
AXA Investment Managers Asia Holdings Pvt. Ltd.	105,155,756	49%	105,155,756	49%
	<b>214,603,584</b>	<b>100%</b>	<b>214,603,584</b>	<b>100%</b>



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

	Amount in ₹ (000)	
	As at March 31, 2020	As at March 31, 2019
<b>4. RESERVE AND SURPLUS</b>		
<b>Share Premium Account</b>		
Balance at the beginning of the year	1,110,482.13	1,110,482.13
Add: Premium on shares issued during the year	-	-
<b>Balance at the end of the year</b>	<b>1,110,482.13</b>	<b>1,110,482.13</b>
<b>Deficit in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(2,669,959.11)	(2,660,120.86)
Loss for the year	(58,462.72)	(9,838.25)
<b>Balance at the end of the year</b>	<b>(2,728,421.83)</b>	<b>(2,669,959.11)</b>
	<b>(1,617,939.70)</b>	<b>(1,559,476.98)</b>
<b>5. LONG TERM PROVISIONS</b>		
	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
- Provision for Gratuity	12,434.00	14,798.00
- Provision for Compensated Absences	1,968.00	1,809.00
	<b>14,402.00</b>	<b>16,607.00</b>
<b>6. TRADE PAYABLES</b>		
	As at March 31, 2020	As at March 31, 2019
Sundry Creditors	-	345.00
	-	<b>345.00</b>
<b>7. OTHER CURRENT LIABILITIES</b>		
	As at March 31, 2020	As at March 31, 2019
Statutory dues including Provident Fund and Tax deducted at source	6,897.25	5,668.98
Employee Benefits Payable	-	40,168.69
Others	22,103.07	38,625.58
	<b>29,000.32</b>	<b>84,463.25</b>
<b>8. SHORT TERM PROVISIONS</b>		
	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits		
- Provision for Gratuity	5,938.00	1,882.00
- Provision for Compensated Absences	351.00	312.00
	<b>6,289.00</b>	<b>2,194.00</b>



BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

9. TANGIBLE ASSETS

Particulars	Amount in ₹ (000)									
	Gross Block				Depreciation/Amortisation				Net Block	
	As at April 1, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 1, 2019	For the year	Deductions during the year	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Furniture and Fixtures	3,941.83	28.75	-	3,970.57	2,862.72	150.56	-	3,013.28	957.29	1,079.10
Office Equipments	3,212.24	396.75	62.00	3,547.00	2,367.62	344.03	62.00	2,649.65	897.35	844.63
Computers-Servers and Networks	13,929.98	1,522.20	-	15,452.17	9,365.74	1,284.26	-	10,650.01	4,802.17	4,564.22
Computers-End User Devices	6,430.87	22.13	-	6,453.00	4,992.01	698.40	-	5,690.41	762.58	1,438.86
Leasehold Improvements	2,692.97	38.65	-	2,731.63	1,718.75	599.48	-	2,318.23	413.40	974.22
Electrical Installations	1,129.75	271.05	-	1,400.80	414.19	106.18	-	520.37	880.43	715.56
Telecom Equipments	4,515.42	-	-	4,515.42	4,310.07	49.77	-	4,359.84	155.58	205.36
<b>TOTAL</b>	<b>35,853.06</b>	<b>2,279.53</b>	<b>62.00</b>	<b>38,070.59</b>	<b>26,031.10</b>	<b>3,232.68</b>	<b>62.00</b>	<b>29,201.79</b>	<b>8,868.80</b>	<b>9,821.95</b>
<b>PREVIOUS YEAR</b>	<b>34,027.40</b>	<b>3,390.89</b>	<b>1,565.23</b>	<b>35,853.06</b>	<b>24,647.14</b>	<b>2,949.20</b>	<b>1,565.23</b>	<b>26,031.10</b>		

10. INTANGIBLE ASSETS

Particulars	Amount in ₹ (000)									
	Gross Block				Depreciation/Amortisation				Net Block	
	As at April 1, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 1, 2019	For the year	Deductions during the year	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Software Applications	11,356.55	-	-	11,356.55	7,952.05	1,898.27	-	9,850.32	1,506.23	3,404.50
<b>TOTAL</b>	<b>11,356.55</b>	<b>-</b>	<b>-</b>	<b>11,356.55</b>	<b>7,952.05</b>	<b>1,898.27</b>	<b>-</b>	<b>9,850.32</b>	<b>1,506.23</b>	<b>3,404.50</b>
<b>PREVIOUS YEAR</b>	<b>11,314.19</b>	<b>42.36</b>	<b>-</b>	<b>11,356.55</b>	<b>5,994.93</b>	<b>1,957.13</b>	<b>-</b>	<b>7,952.05</b>		



BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Amount in ₹ (000)

11. LONG-TERM LOANS AND ADVANCES:

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
Security Deposits	15,456.15	-
Loans and advances to Related Parties	-	-
Other Loans and Advances		
- Prepaid Expenses	409.95	6,380.92
- Tax Deducted at Source	34,078.61	28,912.75
- Others	1,000.00	1,000.00
	<u>50,944.71</u>	<u>36,293.67</u>

12. NON CURRENT INVESTMENTS

	As at March 31, 2020	As at March 31, 2019
<b>Non Current Investment - (Non Trade, quoted)</b>		
<b>Investment in Mutual Fund Units (Includes Mandatory Investments):</b>	<b>48,468.59</b>	<b>43,468.59</b>
3,211 Units (Previous year 3,211) BOI AXA Liquid Fund - Direct Plan - Growth (Market Value C.Y. 7,334.91 and P.Y. 6,917.03 )	5,716.42	5,716.42
3,134 Units (Previous year 3,134) BOI AXA Treasury Advantage Fund - Direct Plan - Growth (Market Value C.Y. 7,699.52 and P.Y. 7,191.01)	5,784.19	5,784.19
209,632 Units (Previous year 209,632) BOI AXA Equity Debt Rebalancer Fund - Direct Plan - Growth (Market Value C.Y. 2,826.82 and P.Y. 3,241.26)	2,442.00	2,442.00
29,707 Units (Previous year 29,707) BOI AXA Conservative Hybrid Fund- Direct Plan - Growth (Market Value C.Y. 571.20 and P.Y. 642.79)	466.00	466.00
114,827 Units (Previous year 114,827) BOI AXA Short Term Income Fund - Direct Plan - Growth (Market Value C.Y. 2181.79 and P.Y. 2,447.39)	1,691.00	1,691.00
177,253 Units (Previous year 177,253) BOI AXA Large & Mid Cap Equity Fund - Direct Plan - Growth (Market Value C.Y. 5,244.91 and P.Y. 6,352.74)	5,000.00	5,000.00
88,327 Units (Previous year 88,327) BOI AXA Manufacturing and Infrastructure Fund - Direct Plan - Growth (Market Value C.Y. 1,165.92 and P.Y. 1,483.90)	1,060.48	1,060.48
89,590 Units (Previous year 89,590) BOI AXA Tax Advantage Fund - Direct Plan - Growth (Market Value C.Y. 4,430.21 and P.Y. 4,874.57)	3,308.50	3,308.50
500,000 Units (Previous year 500,000) BOI AXA CREDIT RISK FUND - Direct Plan - Growth (Market Value C.Y. 3,822.90 and P.Y. 6,657.35)	5,000.00	5,000.00
500,000 Units (Previous year 500,000) BOI AXA MID CAP Equity and Debt Fund - Direct Plan - Growth (Market Value C.Y. 5,260.00 and P.Y. 6,635.00)	5,000.00	5,000.00
500,000 Units (Previous year 500,000) BOI AXA ARBITRAGE Fund - Direct Plan - Growth (Market Value C.Y. 5,548.20 and P.Y. 5,238.80 )	5,000.00	5,000.00
300,000 Units (Previous year 300,000) BOI AXA SMALL CAP Fund - Direct Plan - Growth (Market Value C.Y. 2,709.00 and P.Y. 3,231.00)	3,000.00	3,000.00
500,000 Units (Previous year Nil) BOI AXA OVERNIGHT Fund - Direct Plan - Growth (Market Value C.Y. 5,041.28 and P.Y. Nil)	5,000.00	-
	<u>48,468.59</u>	<u>43,468.59</u>



BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

	Amount in ₹ (000)	
	As at March 31, 2020	As at March 31, 2019
<b>13. CURRENT INVESTMENTS</b>		
<b>Current Investment - ( Trade, quoted)</b>		
<b>Investment in Mutual Fund Units:</b>		
49593 Units (Previous year Nil) BOI AXA OVERNIGHT Fund - Direct Plan - Growth (Market Value C.Y. 50,002.61 and P.Y. Nil)	50,000.00	-
170363 Units (Previous year 246301) BOI AXA Liquid Fund - Direct Plan - Growth (Market Value C.Y. 389,193.87 and P.Y. 530,616.19)	389,000.00	530,000.05
	<u>439,000.00</u>	<u>530,000.05</u>
<b>14. TRADE RECEIVABLES</b> (Unsecured and considered good, unless otherwise stated)		
	As at March 31, 2020	As at March 31, 2019
- Outstanding for a period exceeding six months from the date they are due for payment	-	-
- Others	16,906.36	35,841.40
	<u>16,906.36</u>	<u>35,841.40</u>
<b>15. OTHER RECEIVABLES</b>		
	As at March 31, 2020	As at March 31, 2019
- GST Input credit Receivable	21.16	3,727.29
	<u>21.16</u>	<u>3,727.29</u>
<b>16. CASH AND BANK BALANCES</b>		
	As at March 31, 2020	As at March 31, 2019
<b>Cash and Cash Equivalents</b>		
Cash On Hand	47.09	73.55
Balances with scheduled banks		
- In Current Account	355.51	207.65
	<u>402.60</u>	<u>281.20</u>
<b>17. SHORT TERM LOANS AND ADVANCES</b> (Unsecured and considered good, unless otherwise stated)		
	As at March 31, 2020	As at March 31, 2019
Security Deposits	2,632.72	17,546.63
Other Loans and Advances		
- Prepaid Expenses	5,845.06	2,971.99
- GST / Service Tax Input Credit	2,290.19	6,491.22
- Others	901.04	319.62
	<u>11,669.01</u>	<u>27,329.46</u>



BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Amount in ₹ (000)

18. REVENUE FROM OPERATIONS

	Year Ended March 31, 2020	Year Ended March 31, 2019
Investment Management Fees - Gross	224,505.34	534,242.58
	<u>224,505.34</u>	<u>534,242.58</u>

19. OTHER INCOME

	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on Income Tax Refund	567.66	-
Profit on sale of Investments (Net)	29,437.10	37,446.31
Profit on sale of Fixed Assets (Net)	0.78	51.86
Miscellaneous Income	-	1.02
	<u>30,005.54</u>	<u>37,499.19</u>

20. EMPLOYEES' BENEFIT EXPENSES

	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries allowances and Bonus	136,972.58	191,744.61
Contribution to provident and other funds (Refer Note (A) below)	8,596.60	7,781.82
Staff Welfare Expenses	657.49	3,604.71
Gratuity	2,945.73	4,878.56
	<u>149,172.40</u>	<u>208,009.70</u>

(A) Amount recognised in the Statement of Profit and Loss

	March 31, 2020	March 31, 2019
(i) Provident fund paid to authorities	4,998.80	4,824.40
(ii) Pension fund paid to authorities	917.96	1,006.35
(iii) EDLI and others	306.63	321.40
(iv) Contribution to NPS	2,373.21	1,629.67
	<u>8,596.60</u>	<u>7,781.82</u>

(B) Defined Benefit Plan

(i) Gratuity

(a) Present Value of Defined Benefit Obligation

	March 31, 2020	March 31, 2019
Balance at the beginning of the year	16,680.00	12,799.00
Current Service Cost	2,093.00	2,068.00
Interest Cost	1,151.00	947.00
Benefits Paid	(1,254.00)	(998.00)
Past service cost	-	-
Actuarial Losses / (Gain)	(298.00)	1,864.00
Balance at the end of the year	<u>18,372.00</u>	<u>16,680.00</u>

(b) Assets and Liabilities Recognised in the Balance Sheet

	March 31, 2020	March 31, 2019
Present Value of Defined Benefit Obligation	18,372.00	16,680.00
Less: Fair Value of Plan Assets	-	-
Less: Unrecognised Past Service Cost	-	-
Amount recognised as liability	<u>18,372.00</u>	<u>16,680.00</u>

Recognised under:

	March 31, 2020	March 31, 2019
Long Term Provision	12,434.00	14,798.00
Short Term Provision	5,938.00	1,882.00
	<u>18,372.00</u>	<u>16,680.00</u>



BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Amount in ₹ (000)

(c) Expense Recognised in Statement of Profit and Loss

	March 31, 2020	March 31, 2019
Current Service Cost	2,093.00	2,068.00
Interest Cost	1,151.00	947.00
Expected Return on Plan Assets	-	-
Actuarial Losses / (Gains)	(298.00)	1,864.00
Past Service Cost	-	-
	<u>2,946.00</u>	<u>4,879.00</u>

(d) Actuarial Assumptions

Discount Rate	5.80%	6.90%
Salary Growth Rate	6.00%	7.50%
Attrition Rate	15.00%	15.00%

(e) Experience Adjustments:

	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Experience Adjustments	39.00	270.00	602.00	(387.00)	172.00
Assumption Change	-	-	-	-	-
	<u>39.00</u>	<u>270.00</u>	<u>602.00</u>	<u>(387.00)</u>	<u>172.00</u>

(ii) Compensated Absences

(a) Assets and Liabilities Recognised in the Balance Sheet  
Recognised under:

	March 31, 2020	March 31, 2019
Long Term Provision	1,968.00	1,809.00
Short Term Provision	351.00	312.00
	<u>2,319.00</u>	<u>2,121.00</u>

(b) Actuarial Assumptions

Discount Rate	5.80%	6.90%
---------------	-------	-------

(iii) Deferred Incentive Plan

(a) Assets and Liabilities Recognised in the Balance Sheet  
Recognised under:

	March 31, 2020	March 31, 2019
Long Term Provision	-	-
Short Term Provision	-	-
	<u>-</u>	<u>-</u>

(b) Actuarial Assumptions

Discount Rate	NA	NA
---------------	----	----



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

Amount in ₹ (000)

**21. OTHER EXPENSES**

	<u>Year Ended</u> <u>March 31, 2020</u>	<u>Year Ended</u> <u>March 31, 2019</u>
Rent	24,283.59	23,822.34
Electricity	1,709.11	1,946.53
Repairs and Maintenance	-	-
- Office Equipments	491.69	347.18
- Others	3,114.59	3,130.86
Office Expenses	6,898.57	6,403.10
Travelling, Conveyance and Car Hire	3,935.29	6,371.10
Communication	6,723.75	5,210.64
Printing and Stationery	1,838.11	2,303.31
Legal and Professional Charges	31,449.34	127,479.84
Outsourced Service Cost	21,548.51	17,383.17
Advertisement & Other Sales Promotion	3,195.00	6,205.20
Business Development and Marketing	615.96	794.86
Fund Expenses	6,750.10	30,074.58
Outsourced Fund Accounting Charges	1,374.47	3,249.25
Brokerage and Incentive	2,779.35	95,242.53
Membership, Subscription and Registration Fees	1,667.46	1,797.74
Recruitment	285.51	522.49
Payment to Auditors	-	-
- Audit Fees	600.00	600.00
- Tax Audit Fees	100.00	100.00
- Other Services	50.00	-
- Reimbursement of Expenses	-	18.18
Directors' Sitting Fees	800.00	720.00
Insurance	2,493.16	2,211.64
Rates and Taxes	1,516.90	1,353.73
Courier Charges	683.72	619.35
Computer Expenses	33,715.53	30,725.97
Miscellaneous	50.54	30.41
	<u>158,670.25</u>	<u>368,664.00</u>

**22. DEPRECIATION AND AMORTISATION EXPENSES**

	<u>Year Ended</u> <u>March 31, 2020</u>	<u>Year Ended</u> <u>March 31, 2019</u>
Depreciation on Tangible Assets	3,232.68	2,949.20
Amortisation of Intangible Assets	1,898.27	1,957.12
	<u>5,130.95</u>	<u>4,906.32</u>





1. **Company Overview**

BOI AXA Investment Managers Private Limited (Formerly known as Bharti AXA Investment Managers Private Limited) (the "Company") was incorporated on August 13, 2007 as private limited company under the Companies Act, 1956 of India. The Company has been appointed as the Asset Management Company, to provide management and administrative services to BOI AXA Mutual Fund and to deploy the funds raised by the Mutual Fund under the schemes in accordance with the Investment Management Agreement (IMA) dated November 16, 2007 and amended IMA agreement dated May 24, 2012 between BOI AXA Trustee Services Private Limited and the Company.

2. **Summary of Significant Accounting Policies:**

2.1. **Basis of preparation of Financial Statements**

The financial statements of the company have been prepared on accrual basis of accounting, in accordance with the historical cost convention and applicable Accounting Standards issued by Institute of Chartered Accountants of India. The Financial Statements also comply with relevant provisions of the Companies Act, 2013 to the extent applicable.

2.2. **Revenue recognition:**

(a) **Revenue from Operations**

Management fees from the schemes of the mutual fund are accounted on an accrual basis in accordance with the Investment Management Agreement and are dependent on the net asset value as recorded by the schemes of BOI AXA Mutual Fund.

(b) **Other Income**

Interest income is recorded on an accrual basis.

The profit/loss on sale of investments is recognised in the profit and loss account on the trade date and determined on weighted average basis for individual security.

2.3. **Fixed Assets Depreciation and Impairment of Assets**

(a) **Tangible Assets**

Tangible fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Cost of acquisition is inclusive of taxes, duties, freight and other incidental costs relating to their acquisition and installation of these assets.

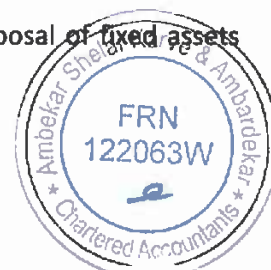
Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.



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Depreciation on fixed assets is provided on Straight line basis, considering the useful lives of the assets as per Schedule II to the Act or as per the managements assessment of useful life. The useful life of the assets are as follows:

Assets	Useful life (in years)
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers- Servers and Networks	6 years
Computers- End User Devices	3 years
Leasehold Improvements	Over the unexpired period of lease subject to maximum of 4 years
Electrical Installations	10 years
Motor Cars	8 years
Telecom Equipments	5 years

Fixed assets costing less than or equal to Rs. 5,000 are fully depreciated in the year of purchase.

#### (b) Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortization period and amortization method are reviewed at each financial year end if the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. The following economic life has been considered:

Assets	Economic Life
Software Applications	3 years

The Financial Statements are prepared in accordance with provisions of Companies Act, 2013 as applicable and in accordance with treatment prescribed under Accounting Standard 10 – Accounting for Fixed Assets; Accounting Standard 6 – Depreciation Accounting.

#### (c) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.



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In opinion of management no such adjustment / provision for impairment of asset is required as on March 31, 2020 as per treatment prescribed in Accounting Standard 28 – Impairment of Assets.

The management has assessed the impact of COVID 19 on its business and operations and is of the opinion that no adjustment or provision for impairment of assets is required as on March 31, 2020.

#### **2.4. Foreign Currency Transactions**

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction date. Realized gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Foreign currency assets and liabilities at the year end are translated at the year end exchange rates and the resultant exchange difference is recognised in the Statement of Profit and Loss.

#### **2.5. Taxes on Income**

Current tax is determined as the amount payable in respect of taxable income for the year. Deferred tax is recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### **2.6. Employee Benefits**

Long Term Employee Benefits:

##### **i) Defined Contribution Plan**

The Company has defined contribution plan for post employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund on behalf of employees. The Company has no further obligation beyond making the contributions.

The Company's contribution to the above plan is charged to the Statement of Profit and Loss as incurred.

##### **ii) Defined Benefit Plan**

###### **(a) Gratuity**

The Company has a defined benefit plan for post-employment benefits in the form of Gratuity. The Company accounts for Gratuity based on an actuarial valuation which is carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognised immediately in the Statement of Profit and Loss as income or expense.



**(b) Compensated Absences**

The Company provides for compensated absences based on actuarial valuation of the leave liability as at the balance sheet date, carried out by an independent actuary.

**iii) Other Long Term Benefits**

**Long Term Incentive Scheme**

The Company has a Long Term Incentive Scheme for its key employees in the form of Deferred Incentive Plan (DIP).

Under the DIP, beneficiaries are awarded a deferred incentive amount, based on certain performance criteria, which vests and becomes payable at various future dates over four years.

The Company accounts for DIP based on an actuarial valuation which is carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss as income or expense. During the FY 2019-2020, there is no provision for DIP.

iv) There is no bonus and incentive provision during the year under employee cost. Further the regular provision for bonus / incentive was made as on March 31, 2019, subsequently the payment was made as per the policy and the excess provision has been written back, hence, the employee cost is lower in FY 2019-2020 as compared to FY 2018-2019.

**2.7. Earnings Per Share**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 'Earnings Per Share' under the Rules. Basic earning per share is computed by dividing net profit or loss for the period by weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by dividing the net profit or loss for the period by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**2.8. Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

Contingent Assets are neither recognised in the financial statements nor disclosed in the notes to the financial statements.



**2.9. Lease**

a) Financial Lease

Assets acquired under lease where the Company has substantially all the risks and rewards of ownerships are classified as finance lease. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest costs, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

b) Operating Lease

Lease rental in respect of assets taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the lease.

**2.10. Fund Expenses**

Annual recurring expenses relating to the schemes of BOI AXA Mutual Fund are borne by the Company till Oct 22 ,2018 as per SEBI's Notification no. SEBI/HO/IMD/DF2/CIR/P/2018/137 The Company absorbs the expenses relating to the launch of the schemes of BOI AXA Mutual Fund.

A Syntex group company was part of portfolio of the debt and hybrid schemes managed by us. Due to downgrade of this security, the same was marked down to nil. Inadvertently, the excess amount was marked down in fund accounting, leading to inaccurate NAV calculation of in Few Scheme of Mutual Fund. The resultant loss of subscription amounting to Rs. 18.53 Lacs was compensated by AMC and is accounted for as Fund Expenses in the books of accounts of the AMC.

**2.11. Brokerage**

Upfront brokerage paid on the closed ended scheme is amortised over the tenure of the scheme. The unamortised portion of the brokerage is carried forward as prepaid expense. Any other brokerage is expensed out in the period in which it is incurred. W.e.f from Oct 22, 2018 brokerages are borne by Mutual Fund.

The brokerage for the year includes the withheld brokerage paid during the year and the lapsed GST Input credit pertaining to brokerage and commission.

**2.12. Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date of Balance Sheet, are classified as current investments. All other investments represent Seed Capital under the SEBI regulations applicable to Asset Management Company and are not to be redeemed by the company hence classified as Non-Current Investments. Investments are stated at cost. The provision for diminution in value of investments is made, if such diminution in opinion of the management is other than temporary.

**2.13. Treatment and Valuation of transactions with branches.**

The transactions with the branches of the company are valued at as per the provisions of and valuation mechanism prescribed under GST Law and availment of input credit on said transactions is also as per applicable GST laws.



**2.14. Cash Flow Statement**

Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statements".

**23. Taxation**

a) No provision for current tax has been made in view of taxable loss for the year.

b) Deferred Income Taxes:

The Company has not recognised deferred tax asset as in the opinion of the management there is no virtual certainty supported by convincing evidence that sufficient taxable income will be available in future years against which such deferred tax asset can be realised.

**24. Earnings per Share**

The numerator and denominators used to calculate Basic and Diluted Earnings per share:

Particulars	Figure in INR (000)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
Loss attributable to equity shareholders (INR)	(58,462.72)	(9,838.25)
Weighted average number of equity shares outstanding during the year	209,197,009	209,197,009
Nominal value per share (INR)	10	10
Earnings/(loss) per share (Basic and Diluted) (INR)	(0.27)	(0.05)

**25. Micro Enterprises and Small Enterprises**

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act). On the basis of intimation received from supplier regarding their status under MSMED Act, there are no payment dues to Micro, Small and Medium Enterprises which are outstanding for more than 45 days as at March 31, 2020.

**26. Leases****Operating Lease**

- i) The Company has taken various offices, furniture, residential premises and motor car under operating lease or leave and license agreements. These are generally cancellable or renewable at the option of the Company and range between 11 months and 36 months.
- ii) INR 24,283,588 (Previous year INR 23,822,340) being lease rentals for the current year are recognised in the Statement of Profit and Loss under the head "Rent" under Note 21 "Other Expenses".
- iii) The future minimum lease payments under non-cancellable operating lease - not later than one year is INR 19,537,458 (Previous year INR 18,977,983), later than one year but not later than five years is INR 29,465,157 (Previous year INR 46,844,233).



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**
**27. Related Party Transactions**

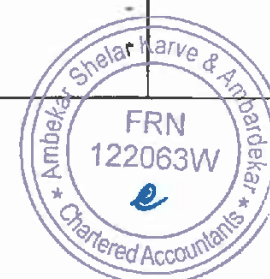
## i) Relationships (during the year)

1.	Related Parties where control exists:	
	a) Holding Company	Bank of India
2.	Related parties with whom transactions have taken place during the year	
	a) Enterprises having significant influence over the Company	AXA IM Asia Holdings Private Limited
	b) Fellow Subsidiaries	BOI AXA Trustees Services Private Limited
		BOI Merchant Bankers Ltd
		BOI Shareholding Limited
	c) Associate Companies	NIL
	d) Mutual fund managed by Fellow Subsidiary	BOI AXA Mutual Fund
	e) Key Management Personnel	Sandeep Dasgupta (Chief Executive Officer)

## ii) The following are transactions and closing balances of related parties in the ordinary course of business

Amount in INR (000)

Nature of Transactions	Name of Company	March 31, 2020			
		Holding companies	Enterprises having significant influence	Fund Managed by the Company	Key management personnel
<b>Assets/(Liabilities)</b>					
Share Capital issued during the year	AXA IM Asia Holdings Private Ltd	-	-	-	-
	Bank of India	-	-	-	-
Share Capital	AXA IM Asia Holdings Private Ltd	-	1,051,557.56 (1,051,557.56)	-	-
	Bank of India	1,094,478.28 (1,094,478.28)	-	-	-
Share Premium	AXA IM Asia Holdings Private Ltd	-	1,110,482.13 (1,110,482.13)	-	-



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

Nature of Transactions	Name of Company	March 31, 2020			
		Holding companies	Enterprises having significant influence	Fund Managed by the Company	Key management personnel
					-
<b>Revenue from Operations:</b>					
Asset Management Fees	BOI AXA Mutual Fund	-	-	224,505.34 (534,242.58)	-
<b>Expenses:</b>					
Brokerage & incentive Paid	Bank of India	- (32,350.15)	-	-	-
Other payments	Bank of India	20.00 (438.22)	-	-	-
Remuneration , Allowance and other payments	Sandeep Dasgupta	-	-	-	26,638.38 (31,648.10*)
Outstanding Receivables	BOI AXA Mutual Fund	-	-	16,906.36 (35,841.40)	-
Outstanding Payables	BOI AXA Mutual Fund	-	-	-	-

- Related party relationship have been identified by the management and relied upon by the auditor.

- There have been no write off/write back in respect of the related parties during the year.

- Figures in bracket pertain to the Previous Year.

-\* The company after due recovery from AXA IM , Paris as payment towards 2014 AXA IM Performance Shares Plan and 2014 AXA IM Restricted Shares Plan paid Rs. 16,37,066 to Mr. Sandeep Dasgupta . The tax compliance on the said amount has been made by the company.

**28. Expenditure in foreign currency**

Particulars	Amount in INR (000)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
License fee	Nil	1,066.96
Traveling and Conveyance	Nil	16.02

**29. Provisions, Contingent Liabilities and Contingent Assets**

Contingent Liabilities as at March 31, 2020 is INR Nil (Previous Year INR Nil)

30. Previous years figures have been reagranged and regrouped wherever necessary to make them comparable with those of current year.





31. Going Concern

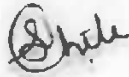
Despite losses, the financial statements are prepared on a going concern basis having regard to the financial support from shareholders and business plans of the Company.

The management has assessed the impact of COVID 19 pandemic on its business and operations and is of the opinion that going concern assumption for preparation of financial statements holds good as on date.

Signatures to Notes forming an integral part of Financial Statements

**Ambekar Shear Karve & Ambardekar**  
Chartered Accountants  
Firm Registration No.122063W

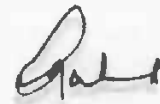
For and on behalf of the Board of Directors




**Sanket Mohan Chitale**  
Partner (M.No-149886)



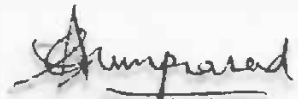
Director  
DIN:



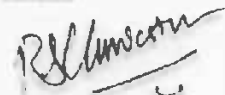
Director  
DIN:



Chief Executive Officer



Deputy Chief Executive Officer



Company Secretary  
ACS (12416)

Place : Mumbai

Date : June 11, 2020

