

**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED BALANCE SHEET AS AT MARCH 31, 2019**

	Notes	As at March 31, 2019	Amount in ₹ As at March 31, 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	2,146,035,840	2,146,035,840
Reserves and Surplus	4	(1,559,476,978)	(1,549,638,732)
<b>Non-current Liabilities</b>			
Long-term Provisions	5	16,607,000	10,327,000
<b>Current Liabilities</b>			
Trade Payables	6	345,000	3,400,360
Other Current Liabilities	7	84,287,483	118,951,077
Short-term Provisions	8	2,194,000	4,226,000
<b>TOTAL</b>		<b>689,992,345</b>	<b>733,301,545</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	9,821,956	9,380,261
Intangible Assets	10	3,404,497	5,319,261
Long-term Loans and Advances	11	36,293,669	48,915,718
Non Current Investment	12	43,468,586	35,468,586
<b>Current Assets</b>			
Current Investments	13	530,000,050	530,000,039
Trade Receivables	14	35,841,396	64,579,877
Other Receivables	15	3,727,300	8,887,177
Cash and Bank Balances	16	281,198	961,542
Short-term Loans and Advances	17	27,153,693	29,789,084
<b>TOTAL</b>		<b>689,992,345</b>	<b>733,301,545</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*

**Sanket Mohan Chitale**  
Partner (M.No.1498886)

For and on behalf of the Board of Directors

*Pradeep*  
Director

DIN: 00075644

*Pradeep*  
Director

DIN: 02602968

*Ramesh Dargwad*  
Chief Executive Officer

*Amprasad*  
Deputy Chief Executive Officer

Place : Mumbai  
Date : April 24, 2019



*R.S. Chandra*  
Company Secretary  
ACS (12416)



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2019**

	Notes	Year Ended March 31, 2019	Amount in ₹ Year Ended March 31, 2018
<b>INCOME</b>			
Revenue from Operation	18	534,242,582	558,649,177
Other Income	19	37,499,188	36,841,097
<b>TOTAL</b>		<b>571,741,770</b>	<b>595,490,274</b>
<b>EXPENDITURE</b>			
Employee Benefit Expense	20	208,009,699	195,923,855
Other Expenses	21	368,663,995	446,291,448
Depreciation and Amortisation Expense	22	4,906,322	3,239,067
<b>TOTAL</b>		<b>581,580,016</b>	<b>645,454,370</b>
<b>Loss Before Tax</b>		<b>(9,838,246)</b>	<b>(49,964,096)</b>
<b>Tax Expense</b>	23		
- Current Tax			
- Deferred Tax			
<b>Loss for the year</b>		<b>(9,838,246)</b>	<b>(49,964,096)</b>
<b>Earning per equity share (face value of ₹ 10 each) (Basic and Diluted)</b>	24	<b>(0.05)</b>	<b>(0.24)</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

For and on behalf of the Board of Directors



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

  
Director  
DIN: 00095644


  
Director  
DIN: 02602968

  
Chief Executive Officer

  
Deputy Chief Executive Officer

Place : Mumbai  
Date : April 24, 2019



  
Company Secretary  
ACS (12416)



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019**

	March 31, 2019		Amount in ₹ March 31, 2018
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net profit / (loss) before taxation		(9,838,246)	(49,964,096)
Add/(Less) adjustments for :			
Depreciation	4,906,322		3,239,067
Loss/(Profit) on sale of Investments (net)	(37,446,310)		(35,978,961)
Loss/(Profit) on sale of Fixed Assets (net)	(51,863)		-
Provision for Leave Encashment	367,000		(283,000)
Provision for Gratuity	3,881,000		2,021,000
Provision for Other Employee Benefits	-	(28,343,851)	(624,000)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(38,182,097)	(81,589,990)
Add/(Less) adjustments for :			
(Increase)/Decrease in Current Assets	36,533,749		(23,652,673)
Increase/(Decrease) in Current Liabilities	(37,718,954)		38,227,559
(Increase)/Decrease in Loans and Advances	12,622,049	11,436,844	1,806,042
<b>NET CASH (USED IN)/FROM OPERATING ACTIVITIES (A)</b>		<b>(26,745,253)</b>	<b>(65,209,062)</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES :</b>			
Purchase of Fixed Assets	(3,433,253)		(7,772,541)
Proceeds from sale of Fixed Assets	51,863		-
Purchase of Investments	(10,888,124,444)		(12,200,106,511)
Proceeds from sale of Investments	10,917,570,742	26,064,909	12,187,141,092
<b>NET CASH (USED IN)/FROM INVESTMENTS ACTIVITIES (B)</b>		<b>26,064,909</b>	<b>(20,737,961)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds from issue of Share Capital	-		85,800,000
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>-</b>	<b>85,800,000</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(680,344)</b>	<b>(147,023)</b>
<b>CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR (SEE NOTE 1)</b>		<b>961,542</b>	<b>1,108,565</b>
<b>CASH AND CASH EQUIVALENT AT THE END OF THE YEAR (SEE NOTE 1)</b>		<b>281,198</b>	<b>961,542</b>

Note 1 : 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

*Shelar*

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



Place : Mumbai  
 Date : April 24, 2019

For and on behalf of the Board of Directors

*Shelar*  
 Director  
 DIN: 00075644

*Shelar*  
 Director  
 DIN: 02602968

*Sanket Chitale*  
 Chief Executive Officer

*Shelar*  
 Deputy Chief Executive Officer

*R. Chitale*  
 Company Secretary  
 ACS (12416)



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019**

**3. SHARE CAPITAL**

	As at March 31, 2019	Amount in ₹ As at March 31, 2018
<b>Authorised:</b>		
215,000,000 (Previous year 215,000,000) Equity Shares of ₹ 10 each	2,150,000,000	2,150,000,000
<b>Issued, Subscribed And Paid Up:</b>		
214,603,584 (Previous year 214,603,584) Equity Shares of ₹ 10 each, fully paid up	2,146,035,840	2,146,035,840
	<b>2,146,035,840</b>	<b>2,146,035,840</b>

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	214,603,584	2,146,035,840	206,023,584	2,060,235,840
Add : Shares issued during the year	-	-	8,580,000	85,800,000
Balance as at the end of the year	<b>214,603,584</b>	<b>2,146,035,840</b>	<b>214,603,584</b>	<b>2,146,035,840</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	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Bank of India	1,094,478,280	1,094,478,280
109,447,828 (Previous year 109,447,828) Equity Shares of ₹ 10 each fully paid up	<b>1,094,478,280</b>	<b>1,094,478,280</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, 2019		As at March 31, 2018	
	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 PERIOD ENDED MARCH 31, 2019**

	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
<b>4. RESERVE AND SURPLUS</b>		
<b>Share Premium Account</b>		
Balance at the beginning of the year	1,110,482,130	1,110,482,130
Add: Premium on shares issued during the year	-	-
<b>Balance at the end of the year</b>	<b>1,110,482,130</b>	<b>1,110,482,130</b>
<b>Deficit in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(2,660,120,862)	(2,610,156,766)
Loss for the year	(9,838,246)	(49,964,096)
<b>Balance at the end of the year</b>	<b>(2,669,959,108)</b>	<b>(2,660,120,862)</b>
	<b>(1,559,476,978)</b>	<b>(1,549,638,732)</b>
<b>5. LONG TERM PROVISIONS</b>		
	As at March 31, 2019	As at March 31, 2018
Provision for Employee Benefits		
- Provision for Gratuity	14,798,000	8,785,000
- Provision for Compensated Absences	1,809,000	1,542,000
	<b>16,607,000</b>	<b>10,327,000</b>
<b>6. TRADE PAYABLES</b>		
	As at March 31, 2019	As at March 31, 2018
Sundry Creditors	345,000	3,400,360
	<b>345,000</b>	<b>3,400,360</b>
<b>7. OTHER CURRENT LIABILITIES</b>		
	As at March 31, 2019	As at March 31, 2018
Statutory dues including Provident Fund and Tax deducted at source	5,668,982	7,531,411
Employee Benefits Payable	40,168,691	45,002,755
Others	38,449,810	66,416,911
	<b>84,287,483</b>	<b>118,951,077</b>
<b>8. SHORT TERM PROVISIONS</b>		
	As at March 31, 2019	As at March 31, 2018
Provision for Employee Benefits		
- Provision for Gratuity	1,882,000	4,014,000
- Provision for Compensated Absences	312,000	212,000
	<b>2,194,000</b>	<b>4,226,000</b>



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019**

**9. TANGIBLE ASSETS**

Particulars	Gross Block				Depreciation/Amortisation			Net Block		Amount in ₹
	As at April 1, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 1, 2018	For the year	Deductions during the year	As at March 31, 2019	As at March 31, 2018	
Furniture and Fixtures	3,941,825	-	-	3,941,825	2,728,294	134,433	-	2,862,727	1,079,098	1,213,531
Office Equipments	3,540,447	124,372	452,575	3,212,244	2,513,504	306,688	452,575	2,367,617	844,627	1,026,943
Computers-Servers and Networks	12,891,559	1,038,415	-	13,929,974	8,167,821	1,197,929	-	9,365,750	4,564,224	4,723,738
Computers-End User Devices	5,565,051	1,978,471	1,112,652	6,430,870	5,524,243	580,415	1,112,652	4,992,006	1,438,864	40,808
Leasehold Improvements	2,692,970	-	-	2,692,970	1,122,638	596,110	-	1,718,748	974,222	1,570,332
Electrical Installations	1,078,598	51,154	-	1,129,752	325,980	88,209	-	414,189	715,563	752,618
Motor Cars	-	-	-	-	-	-	-	-	-	-
Telecom Equipments	4,316,946	198,479	-	4,515,425	4,264,655	45,412	-	4,310,067	205,358	52,291
<b>TOTAL</b>	<b>34,027,396</b>	<b>3,390,891</b>	<b>1,565,227</b>	<b>35,853,060</b>	<b>24,647,135</b>	<b>2,949,196</b>	<b>1,565,227</b>	<b>26,031,104</b>	<b>9,821,956</b>	<b>9,380,261</b>
<b>PREVIOUS YEAR</b>	<b>31,905,277</b>	<b>2,122,119</b>	<b>-</b>	<b>34,027,396</b>	<b>22,047,791</b>	<b>2,599,344</b>	<b>-</b>	<b>24,647,135</b>	<b>-</b>	<b>-</b>

**10. INTANGIBLE ASSETS**

Particulars	Gross Block				Depreciation/Amortisation			Net Block		Amount in ₹
	As at April 1, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 1, 2018	For the year	Deductions during the year	As at March 31, 2019	As at March 31, 2018	
Software Applications	11,314,187	42,362	-	11,356,549	5,994,926	1,957,126	-	7,952,052	3,404,497	5,319,261
<b>TOTAL</b>	<b>11,314,187</b>	<b>42,362</b>	<b>-</b>	<b>11,356,549</b>	<b>5,994,926</b>	<b>1,957,126</b>	<b>-</b>	<b>7,952,052</b>	<b>3,404,497</b>	<b>5,319,261</b>
<b>PREVIOUS YEAR</b>	<b>5,663,765</b>	<b>5,650,422</b>	<b>-</b>	<b>11,314,187</b>	<b>5,355,203</b>	<b>639,723</b>	<b>-</b>	<b>5,994,926</b>	<b>-</b>	<b>-</b>



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019**

Amount in ₹

**11. LONG-TERM LOANS AND ADVANCES:**

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
Security Deposits	-	15,497,148
Other Loans and Advances		
- Prepaid Expenses	6,380,924	10,099,961
- Tax Deducted at Source	28,912,745	22,318,609
- Others	1,000,000	1,000,000
	<b>36,293,669</b>	<b>48,915,718</b>

**12. NON CURRENT INVESTMENTS**

	As at March 31, 2019	As at March 31, 2018
<b>Non Current Investment - (Non Trade, quoted)</b>		
<b>Investment in Mutual Fund Units (Includes Mandatory Investments):</b>	<b>43,468,586</b>	<b>35,468,586</b>
3,211 Units (Previous year 3,211) BOI AXA Liquid Fund - Direct Plan - Growth	5,716,419	5,716,419
3,134 Units (Previous year 3,134) BOI AXA Treasury Advantage Fund - Direct Plan - Growth	5,784,192	5,784,192
209,632 Units (Previous year 209,632) BOI AXA Equity Debt Rebalancer Fund - Direct Plan - Growth	2,442,000	2,442,000
29,707 Units (Previous year 29,707) BOI AXA Conservative Hybrid Fund- Direct Plan - Growth	466,000	466,000
114,827 Units (Previous year 114,827) BOI AXA Short Term Income Fund - Direct Plan - Growth	1,691,000	1,691,000
177,253 Units (Previous year 177,253) BOI AXA Large & Mid Cap Equity Fund - Direct Plan - Growth	5,000,000	5,000,000
88,327 Units (Previous year 88,327) BOI AXA Manufacturing and Infrastructure Fund - Direct Plan - Growth	1,060,475	1,060,475
89,590 Units (Previous year 89,590) BOI AXA Tax Advantage Fund - Direct Plan - Growth	3,308,500	3,308,500
500,000 Units (Previous year 500,000) BOI AXA CREDIT RISK FUND - Direct Plan - Growth	5,000,000	5,000,000
500,000 Units (Previous year 500,000) BOI AXA MID CAP Equity and Debt Fund - Direct Plan - Growth	5,000,000	5,000,000
500,000 Units (Previous year Nil) BOI AXA ARBITRAGE Fund - Direct Plan - Growth	5,000,000	-
300,000 Units (Previous year Nil) BOI AXA SMALL CAP Fund - Direct Plan - Growth	3,000,000	-
	<b>43,468,586</b>	<b>35,468,586</b>

**13. CURRENT INVESTMENTS**

	As at March 31, 2019	As at March 31, 2018
<b>Current Investment - ( Trade, quoted)</b>		
<b>Investment in Mutual Fund Units:</b>		
246301 Units (Previous year 164996) BOI AXA Liquid Fund - Direct Plan - Growth	530,000,050	330,000,039
Nil Units (Previous year 94117) BOI AXA Ultra Short Duration Fund-Direct Plan-Growth	-	200,000,000
	<b>530,000,050</b>	<b>530,000,039</b>



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**  
**AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019**

Amount in ₹

**14. TRADE RECEIVABLES**

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
- Outstanding for a period exceeding six months from the date they are due for payment	-	-
- Others	35,841,396	64,579,877
	<u>35,841,396</u>	<u>64,579,877</u>

**15. OTHER RECEIVABLES**

	As at March 31, 2019	As at March 31, 2018
- GST Input credit Receivable	3,727,300	8,887,177
	<u>3,727,300</u>	<u>8,887,177</u>

**16. CASH AND BANK BALANCES**

	As at March 31, 2019	As at March 31, 2018
<b>Cash and Cash Equivalents</b>		
Cash On Hand	73,549	86,201
Balances with scheduled banks		
- In Current Account	207,649	875,341
	<u>281,198</u>	<u>961,542</u>

**17. SHORT TERM LOANS AND ADVANCES**

(Unsecured and considered good, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
Security Deposits	17,546,626	2,018,133
Other Loans and Advances		
- Prepaid Expenses	2,971,991	4,423,405
- GST / Service Tax Input Credit	6,491,220	23,113,290
- Others	143,856	234,256
	<u>27,153,693</u>	<u>29,789,084</u>





BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019

Amount in ₹

18. REVENUE FROM OPERATIONS

	Year Ended March 31, 2019	Year Ended March 31, 2018
Investment Management Fees - Gross	534,242,582	558,649,177
	<u>534,242,582</u>	<u>558,649,177</u>

19. OTHER INCOME

	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest on Income Tax Refund	-	860,836
Profit on sale of Investments (Net)	37,446,310	35,978,961
Profit on sale of Fixed Assets (Net)	51,863	-
Miscellaneous Income	1,015	1,300
	<u>37,499,188</u>	<u>36,841,097</u>

20. EMPLOYEES' BENEFIT EXPENSES

	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries allowances and Bonus	191,744,615	183,582,148
Contribution to provident and other funds (Refer Note (A) below)	7,781,817	6,938,343
Staff Welfare Expenses	3,604,710	2,600,717
Gratuity	4,878,557	2,802,647
	<u>208,009,699</u>	<u>195,923,855</u>

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

	March 31, 2018	March 31, 2018
(i) Provident fund paid to authorities	4,824,395	4,227,667
(ii) Pension fund paid to authorities	1,006,350	851,263
(iii) EDLI and others	321,399	329,251
(iv) Contribution to NPS	1,629,673	1,530,162
	<u>7,781,817</u>	<u>6,938,343</u>

(B) Defined Benefit Plan

(i) Gratuity

(a) Present Value of Defined Benefit Obligation

	March 31, 2019	March 31, 2018
Balance at the beginning of the year	12,799,000	10,778,000
Current Service Cost	2,068,000	1,733,000
Interest Cost	947,000	754,000
Benefits Paid	(998,000)	(782,000)
Past service cost	-	-
Actuarial Losses / (Gain)	1,864,000	316,000
Balance at the end of the year	<u>16,680,000</u>	<u>12,799,000</u>

(b) Assets and Liabilities Recognised in the Balance Sheet

	March 31, 2019	March 31, 2018
Present Value of Defined Benefit Obligation	16,680,000	12,799,000
Less: Fair Value of Plan Assets	-	-
Less: Unrecognised Past Service Cost	-	-
Amount recognised as liability	<u>16,680,000</u>	<u>12,799,000</u>

Recognised under:

	March 31, 2019	March 31, 2018
Long Term Provision	14,798,000	8,785,000
Short Term Provision	1,882,000	4,014,000
	<u>16,680,000</u>	<u>12,799,000</u>



BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED  
AUDITED NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019

		Amount in ₹				
(c) Expense Recognised in Statement of Profit and Loss						
		<u>March 31,</u>	<u>March 31,</u>			
		<u>2019</u>	<u>2018</u>			
	Current Service Cost	2,068,000	1,733,000			
	Interest Cost	947,000	754,000			
	Expected Return on Plan Assets	-	-			
	Actuarial Losses / (Gains)	1,864,000	316,000			
	Past Service Cost	-	-			
		<u>4,879,000</u>	<u>2,803,000</u>			
(d) Actuarial Assumptions						
	Discount Rate	6.90%	7.40%			
	Salary Growth Rate	8%	6%			
	Attrition Rate	15%	10%			
(e) Experience Adjustments:						
		<u>March 31,</u>	<u>March 31,</u>	<u>March 31,</u>	<u>March 31,</u>	<u>March 31,</u>
		<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
	Experience Adjustments	270,000	602,000	(387,000)	172,000	83,000
	Assumption Change	-	-	-	-	-
		<u>270,000</u>	<u>602,000</u>	<u>(387,000)</u>	<u>172,000</u>	<u>83,000</u>
(ii) Compensated Absences						
(a) Assets and Liabilities Recognised in the Balance Sheet						
Recognised under:						
		<u>March 31,</u>	<u>March 31,</u>			
		<u>2019</u>	<u>2018</u>			
	Long Term Provision	1,442,000	1,542,000			
	Short Term Provision	312,000	212,000			
		<u>1,754,000</u>	<u>1,754,000</u>			
(b) Actuarial Assumptions						
	Discount Rate	6.90%	7.40%			
(iii) Deferred Incentive Plan						
(a) Assets and Liabilities Recognised in the Balance Sheet						
Recognised under:						
		<u>March 31,</u>	<u>March 31,</u>			
		<u>2019</u>	<u>2018</u>			
	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 PERIOD ENDED MARCH 31, 2019**

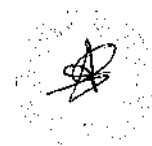
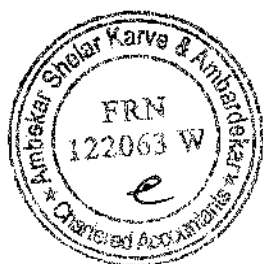
Amount in ₹

**21. OTHER EXPENSES**

	<u>Year Ended March 31, 2019</u>	<u>Year Ended March 31, 2018</u>
Rent	23,822,340	22,547,776
Electricity	1,946,531	2,084,495
Repairs and Maintenance		
- Office Equipments	347,183	197,165
- Others (Refer Note 26)	3,130,856	2,902,545
Office Expenses	6,403,099	5,978,310
Travelling, Conveyance and Car Hire (Refer Note 26)	6,371,104	6,594,983
Communication	5,210,638	4,579,005
Printing and Stationery	2,303,311	1,680,749
Legal and Professional Charges	127,479,838	124,030,869
Outsourced Service Cost	17,383,169	27,637,570
Advertisement & Other Sales Promotion	6,205,196	13,876,653
Business Development and Marketing	794,860	543,136
Fund Expenses	30,074,582	42,710,567
Outsourced Fund Accounting Charges	3,249,248	2,927,887
Brokerage and Incentive	95,242,533	153,439,548
Membership, Subscription and Registration Fees	1,797,736	1,515,510
Recruitment	522,491	695,485
Payment to Auditors		
- Audit Fees	600,000	600,000
- Tax Audit Fees	100,000	100,000
- Reimbursement of Expenses	18,180	14,503
Directors Sitting Fees	720,000	760,000
Insurance	2,211,641	1,825,946
Rates and Taxes	1,353,731	1,189,329
Courier Charges	619,350	735,113
Computer Expenses	30,725,974	26,488,550
Service Tax - SBC	-	585,822
Miscellaneous	30,404	49,932
	<b><u>368,663,995</u></b>	<b><u>446,291,448</u></b>

**22. DEPRECIATION AND AMORTISATION EXPENSES**

	<u>Year Ended March 31, 2019</u>	<u>Year Ended March 31, 2018</u>
Depreciation on Tangible Assets	2,949,196	2,599,344
Amortisation of Intangible Assets	1,957,126	639,723
	<b><u>4,906,322</u></b>	<b><u>3,239,067</u></b>



**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**

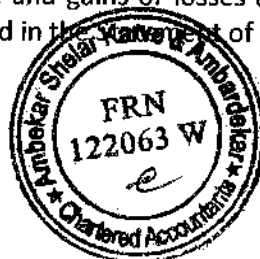
Tangible fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

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.



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.

In opinion of management no such adjustment or provision for impairment of assets is required as on March 31, 2019 as per treatment prescribed in Accounting Standard 28 – Impairment of Assets.



#### **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.

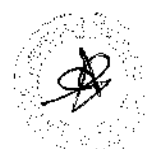
(b) **Compensated Absences**

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, there is no provision for DIP.

### **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 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.

#### 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.

#### 2.12. 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.

#### 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	Year Ended March 31, 2019	Year Ended March 31, 2018
Loss attributable to equity shareholders (INR)	(9,838,246)	(49,964,096)
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)	(0.05)	(0.24)

#### 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, 2019.





## 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 23,822,340 (Previous year INR 22,759,552) being lease rentals for the current year are recognised in the Statement of Profit and Loss under the head "Rent", "Repairs and Maintenance-Others" and " Travelling , Conveyance and Car Hire" under Note 20 "Other Expenses".
- iii) The future minimum lease payments under non-cancellable operating lease - not later than one year is INR 18,977,983 (Previous year INR 17,162,278 ), later than one year but not later than five years is INR 46,844,233 (Previous year INR 63,395,737).

## 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)



**BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

Amount in INR

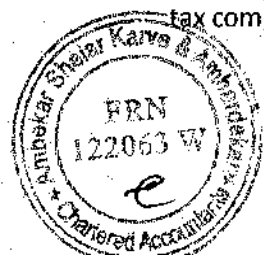
Nature of Transactions	Name of Company	March 31, 2019			
		Holding companies	Enterprises having significant influence	Fund Managed by the Company	Key management personnel
<b>Assets/(Liabilities)</b>					
Share Capital issued during the year	AXA IM Asia Holdings Private Ltd	-	(42,042,000)	-	-
	Bank of India	(43,758,000)	-	-	-
Share Capital	AXA IM Asia Holdings Private Ltd	-	1,051,557,560	-	-
	Bank of India	1,094,478,280	(1,051,557,560)	-	-
Share Premium	AXA IM Asia Holdings Private Ltd	-	1,110,482,130	-	-
		-	(1,110,482,130)	-	-
<b>Revenue from Operations:</b>					
Asset Management Fees	BOI AXA Mutual Fund	-	-	534,242,582	-
		-	-	(558,649,177)	-
<b>Expenses:</b>					
Brokerage & incentive Paid	Bank of India	32,350,145	-	-	-
		(81,723,051)	-	-	-
Other payments	Bank of India	438,215	-	-	-
		(365,845)	-	-	-
Remuneration, Allowance and other payments	Sandeep Dasgupta	-	-	-	31,648,100*
		-	-	-	(27,292,350)
Outstanding Receivables	BOI AXA Mutual Fund	-	-	35,841,396	-
		-	-	(64,579,877)	-
Outstanding Payables	BOI AXA Mutual Fund	-	-	-	-
		-	-	(241,960)	-

- 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	
	Year Ended March 31, 2019	Year Ended March 31, 2018
License fee	1,066,962	775,533
Traveling and Conveyance	16,019	17,713

29. Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities as at March 31, 2018 is INR Nil (Previous Year INR Nil)

30. 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.


31. Effect of SEBI Circular dtd. Oct 22,2018

As per circular , w.e.f Oct 22,2018 all scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only. Hence , revenues and expenses have reduced as compared to last year.

Signatures to Notes forming an integral part of Financial Statements

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

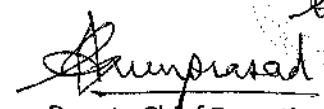
**For and on behalf of the Board of Directors**


  
Director  
DIN: 00075644

  
Director  
DIN: 02602968


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

  
Chief Executive Officer

  
Deputy Chief Executive  
Officer

Place : Mumbai

Date : April 24,2019


  
Company Secretary  
ACS (12416)



**INDEPENDENT AUDITORS' REPORT**

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

**Opinion**

1. We have audited the standalone financial statements of **BOI AXA Investment Managers Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2019**, 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.
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, 2019, 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.

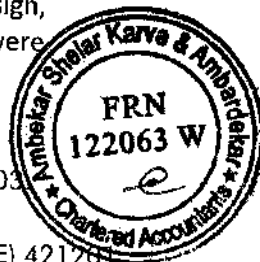
**Management's Responsibility for the Standalone Financial Statements**

4. 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

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Telefax: 0251-2438696 Telephone: 0251-2426191/2801368/2425525  
Email: info@ca-aska.com, suhas.ambekar@ca-aska.com Website: www.ca-aska.com

**Branches At : Thane, Badlapur, Karjat**





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.

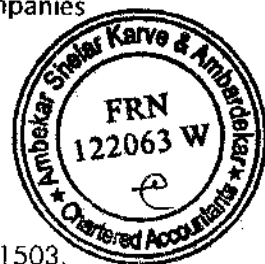
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

5. 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.

**Report on Other Legal and Regulatory Requirements**

6. 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
7. As required by Section 143 (3) of the Act, we report that:
- (a) 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.
- (b) 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.
- (c) 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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**Branches At : Thane, Badlapur, Karjat**



# Ambekar Shelar Karve & Ambardekar

## Chartered Accountant

- (d) On the basis of the written representations received from the directors as on **March 31, 2019** taken on record by the Board of Directors, none of the directors are disqualified as on **March 31, 2019** from being appointed as a director in terms of Section 164 (2) of the Act.
- (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, clause (i) of section 143(3) of Companies Act, 2013 we attach our report as Annexure B
- (f) 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 does not have any long-term contracts including derivative contracts outstanding as on March 31, 2019 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.
8. As required by Section 143(5) of the Act and in pursuance of the directions issued by the Office of CAG for the year 2018-19, we report that
- i. According to information and explanations given to us and based on the records of the company examined by us, the company does have in place a system to process all accounting transactions through IT system.
  - 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.



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**Branches At : Thane, Badlapur, Karjat**



# Ambekar Shelar Karve & Ambardekar

## Chartered Accountant

- iii. According to information and explanations given to us and based on the records of the company examined by us, the company has not received or no funds are receivable by the company for specific schemes from central or state agencies.

Date : April 24, 2019  
Place : Mumbai



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

CA Sanket Mohan Chitale  
Partner  
M.No. : 149886

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Branches At : Thane, Badlapur, Karjat



**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 BOI AXA Investment Managers Private Limited on standalone Financial Statements of the Company for the year ended on March 31, 2019**

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 no material discrepancies were noted on such verification
  - (c) As explained 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.
- 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.



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# Ambekar Shelar Karve & Ambardekar

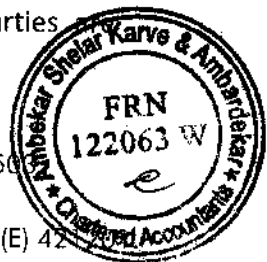
## Chartered Accountant

- vi. As per information and explanation given to us, the maintenance of cost records has not been prescribed under subsection (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, employees' state insurance, income tax, GST, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues to the extend 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 moneys 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 neither come across any instances of fraud by the company or on Company by its officers or employees, noticed or reported during the year nor have we been informed of any such instance by the Management
- xi. As per information and explanation given to us the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to private company, hence clause (xi) of paragraph 3 of the Order is not applicable.
- xii. As per information and explanation given to us and in our opinion the company is not a Nidhi 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

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## Chartered Accountant

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. 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**

**CA Sanket Mohan Chitale**  
**Membership No. 149886**  
**Place : Mumbai**  
**Date : April 24, 2019**



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

**As referred to in paragraph 7 (e) of our report of even date to the Members of BOI AXA Investment Managers Private Limited on standalone Financial Statements of the Company for the year ended on March 31, 2019**

We have audited the internal financial controls over financial reporting of BOI AXA Investment Managers Private Limited (the Company) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

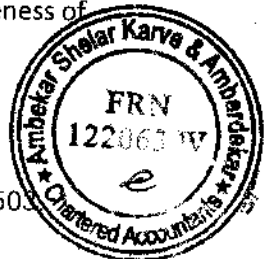
**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls. 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. 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



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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.

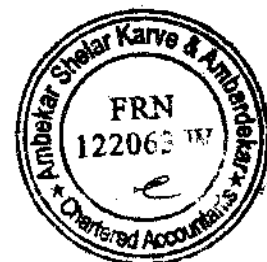
### **Meaning of Internal Financial Controls Over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) 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
- (3) 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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# Ambekar Shelar Karve & Ambardekar

## Chartered Accountant

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### Opinion

In our opinion, 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, 2019 based on the internal controls

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

CA Sanket Mohan Chitale  
Membership No. 149886  
Place : Mumbai  
Date : April 24, 2019



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