

BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED

**Annual Report
2018-19**



Board of Directors
(as on August 29, 2019)

Mr Bruno Guilloton, Vice-Chairman
Mr. Devender Paul Sharma
Mr. Ajit Kumar Mishra
Mr. Robert Sherlock
Mr. Sudhir Chand
Mr. Sanjay Gupta
Mr. Atul Sahasrabuddhe
Mr. S. C. Kalia

Chief Executive Officer

Mr. Sandeep Dasgupta

Dy. Chief Executive Officer

Mr. Arunprasad G

Company Secretary

Mr. Rajesh Chawathe

Auditors

M/s Ambekar Shelar Karve & Ambardekar
501, Mirage Arcade CHS, 5th Floor,
Opposite Ganesh Mandir,
Off Phadke Road,
Dombivli,(East), Thane
Mumbai 421201

Registered Office

BOI AXA Investment Managers Private Limited
B/204, Tower 1,
Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai 400013, India.
CIN : U65900MH2007FTC173079

DIRECTORS' REPORT

**To the Members,
BOI AXA Investment Managers Private Limited**

Your Directors have pleasure in presenting the Twelfth Annual Report of BOI AXA Investment Managers Private Limited ('the Company') with the audited financial statements thereof for the financial year ended March 31, 2019 ('year').

FINANCIAL RESULTS

Financial Results of the Company for the year is summarized below:

(₹ '000)		
Particulars	Year ended March 31, 2019 (Audited)	Year ended March 31, 2018 (Audited)
Income:		
Revenue from Operation	534,243	558,649
Other Income	37,499	36,841
Total	571,742	595,490
Expenses:		
Employee Costs	208,010	195,924
Finance Costs		
Other Expenses	368,664	446,291
Depreciation/Amortization	4,906	3,239
Total	581,580	645,454
Loss before Tax	(9,838)	(49,964)
Provision for Tax		
Loss after Tax	(9,838)	(49,964)

OPERATIONS REVIEW AND OUTLOOK

During the financial year ended March 31, 2019, the AUM for BOI AXA Mutual Fund ("Mutual Fund") declined to Rs. 3180.01 crores as against Rs. 4,858 crores as at the end of previous year. The fall in the AUM was mainly due to stress in the corporate credit markets that impacted the performance of a few of our funds in the Debt & Hybrid Fund categories.

The capital markets in India during the year 2017-18 experienced bullish sentiments. Equity market was attracting lot of domestic and overseas flows and the broader stock index reached an all-time high.

In the debt segment, there was unprecedented money flows into debt funds, credit risk funds and hybrid funds. Mutual funds had very little option to deploy the flows as Banks had stopped issuing CDs, large AAA corporates were not availing of long term credit from Mutual Funds through issuance of Debentures. Therefore the biggest beneficiaries were NBFCs and HFCs.

As the economic indicators were below expectations; the equity markets corrected in the first quarter of 2018-19 while the debt markets showed signs of stress by June 2018.

In September 2018, Infrastructure Leasing and Financial Services Limited (IL&FS), a systemically important non-banking financial company, defaulted on its debt repayments payment obligations of bank loans (including interest), term and short-term deposits and failed to meet the commercial paper redemption obligations. Consequent to defaults, rating agencies downgraded the ratings of its short-term and long-term borrowing programs. This created turmoil in the financial markets; in particular for NBFCs and HFC sectors. Many

corporates, mutual funds, and insurance companies had invested in CPs and NCDs of the IL&FS group, and there was a fear that in the wake of the default, their funds could be locked in IL&FS debt instruments, leading to a liquidity crunch.

Starting with IL&FS default in September 2018, the crisis spread to Dewan Housing Finance (DHFL), Essel (Zee) Group and Reliance Capital (ADAG Group) and several mid to small size corporates. This created severe stress in the markets for all participants.

These events had both a direct and indirect impact on several securities in the portfolios of BOI AXA leading to high volatility in the returns (pre and post-crises) as can be seen from the tables below.

During the year, the investors' redeemed large amount of money from Credit Funds, Debt funds and Hybrid funds across the mutual fund industry; BOI AXA too got impacted due to the overall negative sentiments.

The senior management of BOI AXA Investment Managers has taken appropriate steps in accordance with the regulatory guidelines to protect the interest of the unitholders.

The AMC managed twelve open-ended schemes and five close ended schemes during this year for the Mutual Fund. The endeavor during the year was to promote retail mutual fund products which would appeal to relatively risk-averse retail customers. As a result, we launched two open ended schemes namely BOI AXA Arbitrage Fund and BOI AXA Small Cap Fund and one close ended scheme i.e. BOI AXA Midcap Tax Fund – Series 2.

The key financial numbers of the Company are highlighted in the above table.

The Management Team of the Company believes that higher share of retail assets, cost rationalization, consistent risk adjusted investment performance and excellent customer service will remain the key factors for success in this business. The Company shall continue to focus on the same in the future.

EMPLOYEES

As on March 31, 2019, the Company employed 69 employees. Out of which, 42 employees were based in the Head office in Mumbai and the rest 27 who were part of the Sales and Customer Service teams were based in the 13 sales offices spread across the country.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

DIVIDEND

In view of the loss incurred, the Directors are unable to recommend any dividend.

PRODUCTS

During the year under review, the AMC had launched the following schemes:

Name of the Scheme	Launch Date	Funds Mobilized (In crores)
BOI AXA Arbitrage Fund	May 31, 2018	153.17
BOI AXA Mid Cap Tax Fund – Series 2	July 12, 2018	44.97
BOI AXA Small Cap Fund	November 28, 2018	28.83

INVESTMENT ADVISORY BUSINESS

The AMC had received an approval letter from SEBI dated October 26, 2017 for conducting an Investment Advisory under SEBI (Investment Advisers) Regulations, 2013. However, the AMC is yet to commence the business activity under the aforesaid license.

REGULATORY CHANGES

SEBI continued to take various initiatives to improve governance and disclosures in the mutual fund industry and introduced new regulatory changes in the interest of investors. AMFI also came out with several best practice and other guidelines, aimed at improving the practices across the industry and also to standardize and harmonize them, and generally to improve customer interface and service standards. Some of the key initiatives taken by SEBI/AMFI include:

- To bring about uniformity in disclosure of performance of the scheme, post consolidation or merger of schemes, SEBI prescribed certain guidelines to standardize the provisions related to performance disclosure of such scheme.
- To bring cost effectiveness in disclosing and providing information to unitholders and as go green initiative measure in Mutual Funds, SEBI has prescribed the following key provisions:
 - AMCs have been advised to disclose the NAVs of all the Schemes under a separate head on website of AMC and website of AMFI. Further, monthly/half-yearly portfolio shall also be disclosed on AMC's website and the requirement of publishing the same in the newspapers has been removed.
 - The Scheme wise annual report or Abridged summary thereof shall be hosted on the website of AMC and on website of AMFI. Email shall be sent to the unitholders whose email addresses are registered with the Mutual Fund.
- SEBI has reduced the Additional expenses charged by the scheme from 0.20% to 0.05% under Regulation 52(6A)(c) of the SEBI Mutual Fund Regulations, 1996 and AMFI has advised all the AMCs to pass on the reduction of 15 bps in expenses to distributors by way of reduction in distribution commission. Further, SEBI has advised the AMCs to disclose TER on daily basis on the AMC and AMFI website. Also any change in the TER (other than due to regulatory requirement) be intimated to the investors three days prior to such change via email or SMS.
- In order to standardize the disclosures pertaining the Total Expense Ratio in the factsheet, AMFI has issued Best Practice Guidelines. According to the said guidelines AMCs are required to provide a detailed break-up of the TER into various components such as Base TER, Additional Expenses, GST etc. and also disclose the month- end TER in the Factsheet.
- AMFI has prescribed Best Practice Guidelines on electronic transactions, with a view to establish minimum standards with respect to processing of electronic transactions received from investors.
- To bring transparency in expenses, reduce portfolio churning and misselling in Mutual fund schemes, SEBI has prescribed certain provisions. SEBI has mandated that all scheme related expenses including commission paid to distributors, by whatever name called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the AMCs. Also, no upfront commission shall be paid by MFs/AMCs (*except in case of STPs with certain conditions*)

directly or indirectly, in cash or kind, through sponsorships or any other route. Further, additional TER under regulation 52(6A)(b) can be charged upto 30 basis points on daily net assets of the scheme based on inflows only from retail investors from B 30 cities. Further, SEBI has also defined 'Retail investors' as the inflows of amount upto Rs. 2,00,000/- per transaction, by individual investors be considered as inflows from retail investors.

- SEBI amended the Regulation 7B of SEBI (Mutual Funds) Regulations, 1996 pertaining to shareholding norms and governance in mutual funds and prescribed that in the event of any corporate action/arrangement involving the sponsors of the mutual funds, shareholders of the AMCs or Trustee companies which results in the incidental acquisition of shares, voting rights or representation on the board of AMC or Trustee companies any other mutual fund, this regulation shall be complied with within a period of one year of coming into force of such an arrangement.
- SEBI has also revised limits of the Total Expense Ratio for various categories of open – ended and close ended schemes.
- In order to ensure fair treatment to all investors in case of credit event and to deal with liquidity risk, SEBI has allowed the mutual funds to create segregated portfolio of debt and money market instruments under the schemes affected by credit event. Further, SEBI has also provided the procedure for creation of segregated portfolio and the disclosure requirements as well.
- SEBI has advised the Mutual Funds to have robust cyber security and cyber resilience framework as part of its operational risk management, in order to protect the integrity of data and guard against breaches of privacy.
- In order to deal with various technology related issues, SEBI advised Mutual Funds to constitute a Technology Committee comprising experts proficient in technology. Such committee shall have at least one independent external expert with adequate experience in the area of technology in Mutual Fund industry.
- SEBI has allowed Mutual Funds to write covered call options and prescribed the disclosure requirements in this regards.
- In order to make the existing valuation practices for non-traded money market and debt securities more reflective of the realizable value, SEBI has prescribed that the residual maturity be reduced from existing 60 days to 30 days for amortization based valuation. Further, In order to maintain uniformity with regard to valuation of debt and money market securities rated below investment grade, SEBI has prescribed guidelines for valuation of such securities.
- SEBI has modified the few provisions pertaining to distributor commission, disclosure of TER and Scheme performance, borrowing costs, additional TER, miscellaneous expenses and entry load.

SYSTEM AUDIT

In terms of SEBI circular dated September 16, 2009, the mutual funds are required to conduct a systems audit every 2 years through Independent Auditors. As required by the said Circular, the AMC has conducted the Systems Audit for the FYs 2016-2018, and the Systems Audit Report along with Compliance status was placed before the Board of Trustees on August 28, 2018 and the same was also filed with SEBI.

Further, SEBI vide its Circular dated January 10, 2019 and April 11, 2019 has advised the mutual funds to conduct Systems audit on an annual basis.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

The Following changes occurred in the Composition of the Board and KMP till the date of the report:

1. Directors' Appointments:

Sr. No.	Name of the Director	Designation	Appointment or Resignation	Date of Appointment or Resignation
1.	Mr. Parshuram Panda	Associate Director (appointed as Nominee by Bank of India)	Appointment	May 20, 2018
2.	Mr. Devender Paul Sharma	Associate Director (appointed as Nominee by Bank of India)	Appointment	October 19, 2018
3.	Mr. Ajit Kumar Mishra	Associate Director (appointed as Nominee by Bank of India)	Appointment	April 24, 2019

2. Directors' Resignations:

Mr. Parshuram Panda ceased to be Nominee Director of the Company w.e.f. July 23, 2018. The Board placed on record its appreciation of the valuable contribution and guidance provided by Mr. Parshuram Panda to the Company.

Key Managerial Personnel:

There was no appointment or cessation of appointment of Key Managerial Personnel during the financial year.

Independent Directors

As on the date of this report, the Board of the Company consists of eight Directors, out of which four are independent Directors, two are nominated by Bank of India and two nominated by AXA IM.

Though strictly not applicable, all Independent Directors of the Company are meeting the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013. However, the Company has constituted Nomination and Remuneration Committee which consist of 3 Members including 2 independent directors.

SUBSIDIARIES AND JOINT VENTURE

The Company does not have any subsidiary or joint venture companies and as such, hence provision relating to disclosure of summary of performance of the subsidiary and joint venture companies is not applicable.

RISK MANAGEMENT FRAMEWORK

The Company has in place a Risk Management Policy which has been approved by the Board of Directors. The purpose of the Policy is to set out the Company's overall policy and organizational structure for effectively managing its risk profile. The Company's Risk Management Committee regularly reviews the various investment, credit and operational risks faced by the Company. A risk dashboard is prepared and presented to the Board of Directors which highlights any risks that the Company may be facing. An internal audit of the Company's Risk Management System is conducted by an internal auditor on a quarterly basis and the audit report is presented to the Board of Directors.

RELATED PARTY TRANSACTIONS

The Company undertakes various transactions with related parties in the ordinary course of business. The transactions between the Company and its related parties, during the year ended March 31, 2019, were in the ordinary course of business and based on the principles of arm's length. The disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Note no. 27 to the Financial Statements as on March 31, 2019.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure 1**.

DEPOSITS

The Company has neither accepted nor renewed any deposits and as such no amount on account of principal or interest on public deposits was outstanding, on the Balance sheet date.

GOVERNANCE

a) Board of Directors

As on July 31, 2019, the Board comprises of 8 Directors – 2 nominated by Bank of India, 2 nominated by AXA IM and 4 Independent Directors.

All the Directors are Non-Executive Directors. The composition of the Board is in line with the regulatory requirements.

The meetings of the Board are normally held at Mumbai. During the year under review, the Board met 5 times, on the following dates:

- April 26, 2018
- June 28, 2018
- August 28, 2018
- October 29, 2018 and
- February 21, 2019.

While the Board is broadly responsible for overall strategy and business planning, the management is responsible for executing the strategy and business plan.

The names of the Directors, their attendance at Board Meetings during the year, are set out in the following table:

Sr. No.	Name of the Director	Board Meetings held during the year	Board Meetings attended during the year
1	Bruno Guilloton	5	4
2	Robert Sherlock	5	3
3	Mr. Devender Paul Sharma*	2	0
4	Mr. Parshuram Panda [@]	1	0
5	Sudhir Chand	5	5
6	Sanjay Gupta	5	3
7	Atul Sahasrabuddhe	5	5
8	S C Kalia	5	3

*: Appointed w.e.f. October 19, 2018

[@]: Appointed w.e.f. May 20, 2018 and resigned w.e.f. July 23, 2018

b) Audit & Compliance Committee and providing Vigil Mechanism

Although the provisions of Section 177 of the Companies Act, 2013, are not applicable to the Company, the Board has constituted an Audit and Compliance Committee ('the Audit Committee') which is chaired by a non-executive Director. As at the date of this Report, the Audit Committee has 8 members, including 4 members who are independent directors. During the year under review, the Committee met 5 times.

The Audit Committee reviews the financials of the Company, the financials of schemes, regulatory inspection reports, reports of the internal and statutory auditors placed before them, from time to time.

Further, the provisions of Section 177 (9) of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 relating to establishment of vigil mechanism for directors and employees to report genuine concerns are not applicable to the Company.

c) **Nomination and Remuneration Committee**

Although the provisions of Section 178 of the Companies Act, 2013, are not applicable to the Company, the Board has constituted a Nomination and Remuneration Committee ('the NR Committee') which is chaired by a non-executive Director. As at the date of this Report, the Committee has 3 members, including 2 members who are independent directors. The Committee meetings were held on April 26, 2018 and February 20, 2019.

The NR Committee approves remuneration strategy, monetary incentive schemes and budget for all fulltime employees of the Company. It also reviews the performance of the CEO and approves his remuneration structure including fixed remuneration, benefits, and short & long term incentives.

Apart from the above, the Company also has constituted the following internal committees:

A. **Under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:**

- Internal Complaints Committee

B. **Under the provisions of SEBI (Mutual Funds) Regulations, 1996:**

- Valuation Committee,
- Investment Committee, and
- Risk Management Committee.

AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Auditors of the Company shall be appointed by the Comptroller and Auditor General of India. Accordingly, M/s. Ambekar Shelar Karve & Ambardekar, Chartered Accountants, have been appointed by the Comptroller and Auditor General of India, New Delhi vide its letter dated August 05, 2019 as the Statutory Auditors of the Company, who will hold office upto the conclusion of the 13th Annual General Meeting.

Further, pursuant to the provisions of Section 142 and other applicable sections of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of Auditors appointed under Section 139 by the Comptroller and Auditor General of India, shall be fixed by the Company in the General Meeting. Accordingly, Notice of the Annual General Meeting will include an item pertaining to remuneration of the Auditors for the year 2019-2020. During the year under review, the Auditors have not reported any instances of fraud under Section 143(12) of the Act.

There are no qualifications, reservation or adverse remarks made by the statutory auditors in the audit report.

CAGI AUDIT

The audited accounts alongwith the Statutory Auditor's report of the Company was submitted to the office of the Comptroller and Auditor General of India (CAGI) for conducting supplementary audit under Section 143 (5) of the Companies Act, 2013 and CAGI had reviewed the report of the statutory auditor on the accounts of the Company for the financial year ending March 31, 2019. The Report submitted by CAG in this regards is attached as Annexure 2.

Secretarial Auditors

The provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company. As such, the Secretarial Audit Report is not required to be annexed to this report.

EMPLOYEES DETAILS

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in a separate Annexure to the Directors' Report, which will be available to the members of the Company on a written request.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The Company is committed to provide a work environment that ensures every woman employee is treated with dignity and respect and afforded equitable treatment. The Company is also committed to promote a work environment that is conducive to the professional growth of its women employees and encourages equality of opportunity. The Company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its women employees are not subjected to any form of harassment. The Company has constituted an Internal Complaints Committee as required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

During the year under review, the Company did not receive any complaints pertaining to Sexual Harassment.

SHARE CAPITAL

During the year under review, there were no changes in the Capital Structure of the Company. The Authorised share capital of the Company is Rs. 215 crores, and paid up share capital is Rs. 214.60 crores.

Issue of equity shares with differential rights

The Company has not issued any equity shares with differential rights during the year under review.

Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares

No Bonus Shares were issued during the year under review.

Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 do not apply to the Company and hence, the Company has not developed and implemented Corporate Social Responsibility initiatives policy.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 do not apply to the Company. However, the details about foreign exchange earnings and outgo required under the above Rules are as under:

(₹ '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Foreign Exchange Earnings & Outgo		
- Earnings	-	-
- Outgo	1083	793

CODE UNDER THE PROVISIONS OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

The Company has formulated a comprehensive code of conduct for prevention and regulation of trading by insiders in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015 as amended from time to time.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis;
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has an Internal Audit System which commensurates with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the engagement letter entered into with the Internal Auditors. To maintain its objectivity and independence, the Internal Auditors submit their report to the Audit & Compliance Committee of the Board regularly.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating system, accounting procedures and policies.

Further, the financial statements of the Company are subject to an annual audit by the Statutory Auditors of the Company as appointed by Comptroller and Auditor General of India (CAG) and the reports are placed before the Audit & Compliance Committee and the Board of Directors on an annual basis.

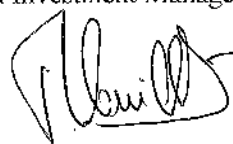
ACKNOWLEDGEMENTS

The Board is thankful to the Securities & Exchange Board of India, Association of Mutual Funds in India and Reserve Bank of India for their continued co-operation and support. The Board also expresses its appreciation and gratitude for the continuous support received from distributors, service providers, statutory and other authorities and auditors, and for guidance received from the Trustee. The Directors also express appreciation of all employees for their contributions and commitment.

The Directors wish to express their gratitude towards AXA IM, Bank of India for their continued trust and support.

The Directors acknowledge the trust reposed in the Fund by its investors and thank them for their continued support.

For and on behalf of the Board
BOI AXA Investment Managers Private Limited



Director



Director

Mumbai
August 29, 2019

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2019
Pursuant to Section 92 (8) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U65900MH2007FTC173079
ii	Registration Date	13-Aug-07
iii	Name of the Company	BOI AXA INVESTMENT MANAGERS PRIVATE LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares/ Subsidiary of Indian Company
v	Address of the Registered office & contact details	B/204, Tower 1, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Fintech Pvt. Ltd. Karvy Selenium Tower B, Plot No 31 & 32, 1th Floor, Gachibowli, Financial District, Nanakramguda, Serilingampally- Hyderabad – 500 032

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Management of Mutual Funds	66301	100
2			
3			
4			

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Bank of India Address: Star House, C-5, 'G' Block, Bandra – Kurla Complex, Bandra (East) Mumbai – 400 051	U99999MH1906PLC000243	Holding	51%	2(46)
2	AXA Investment Managers Asia Holdings Private Limited Address: One Marine Boulevard #28-00 Singapore (018989)	-	Associate	49%	2(6)

Category of Shareholders	No. of Shares held at the beginning of the (April 1, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF										
b) Central Govt. or State Govt.										
c) Bodies Corporates										
d) Bank/FI	109447828	-	109447828	51	109447828	-	109447828	51		
e) Any other										
SUB TOTAL (A) (1)	109447828	-	109447828	51	109447828	-	109447828	51		
(2) Foreign										
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corp.	105155756	-	105155756	49	105155756	-	105155756	49		
d) Banks/FI										
e) Any other...										
SUB TOTAL (A) (2)	105155756	-	105155756	49	105155756	-	105155756	49		
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	214603584	-	214603584	100	214603584	-	214603584	100		
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds										
b) Banks/FI										
c) Central govt.										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies										
g) FIIS										
h) Foreign Venture Capital Funds										
i) Others (specify)										
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-		
(2) Non Institutions										
a) Bodies corporates										
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs										
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs										
c) Others (specify)										
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-		
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-		
C. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)	214603584	-	214603584	100	214603584	-	214603584	100		

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year (April 1, 2018)			Shareholding at the end of the year (March 31, 2019)			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Bank of India	109447828	51	-	109447828	51	-	-
2	AXA Investment Managers Asia Holdings Private Limited	105155756	49	-	105155756	49	-	-
3								
4								
	Total	214603584	100	-	214603584	100	-	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Bank of India				
	At the beginning of the year	109447828	51	109447828	51
	Further issue was made during the year	-	-	-	-
	At the end of the year			109447828	51
2	AXA Investment Managers Asia Holdings Private Limited				
	At the beginning of the year	105155756	49	105155756	49
	Further issue was made during the year	-	-	-	-
	At the end of the year			105155756	49

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	NIL				

(v) Shareholding of Directors & KMP

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Directors & KMP				
	The Directors & Key Managerial Personnel (KMP) did not hold any shares				

Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtedness at the beginning of the financial year					
(i) Principal Amount					
(ii) Interest due but not paid					
(iii) Interest accrued but not due					
Total (i+ii+iii)					
Change in Indebtedness during the financial year					
Additions					
Reduction					
Net Change					
Indebtedness at the end of the financial year					
(i) Principal Amount					
(ii) Interest due but not paid					
(iii) Interest accrued but not due					
Total (i+ii+iii)					

VI: REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Sandeep Dasgupta (Manager) Amount in Rs.	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	3,15,82,138	3,15,82,138
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	65,962	65,962
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock option		
3	Sweat Equity		
4	Commission as % of profit		
	Others (specify):		
5	Others, please specify		
	Total (A)	3,16,48,100	3,16,48,100
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors				Total Amount
1	Independent Directors	Atul Sahasrabudhe	Sudhir Chaud	Sanjay Gupta	Subhash Chander Kalia	
	(a) Fee for attending board/ committee meetings	240,000.00	200,000.00	160,000.00	120,000.00	720,000.00
	(b) Commission					
	(c) Others, please specify					
	Total (1)	240,000.00	200,000.00	160,000.00	120,000.00	720,000.00
2	Other Non Executive Directors					
	(a) Fee for attending board/ committee meetings					
	(b) Commission					
	(c) Others, please specify					
	Total (2)					
	Total (B)=(1+2)	240,000.00	200,000.00	160,000.00	120,000.00	720,000.00
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	Gross Salary	CEO	Company Secretary	CFO		
		Mr. Sandeep Dasgupta	Mr. Rajesh Chawathe			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961					
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission as % of profit					
	Others, specify					
5	Others, please specify					
	Total					

the Provisions of Section 203 of the Companies Act, 2013 read with Rules & Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the BOI AXA Investment Managers Private Limited does not fall under the Class of Companies prescribed therein.

The Provision of Section 203 of the Companies Act, 2013 is not applicable to Private Limited. As per Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the BOI AXA Investment Managers is falling under the class of other Companies. In view of this, the appointment of Company Secretary would be applicable. However, the said appointment of Company Secretary would not fall under the Key Managerial Personnel as referred under Section 203 of the Companies Act, 2013 and Rules framed thereunder.

VII

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF BOI AXA INVESTMENT MANAGERS PRIVATE
LIMITED FOR THE YEAR ENDED 31 MARCH 2019**

The preparation of financial statements of BOI AXA Investment Managers Private Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the Financial Statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 24 April 2019.

The assets under management through various schemes managed by BOI AXA Investment Managers Private Limited are not reflected in its Balance Sheet, since these assets do not form part of the BOI AXA Investment Managers Private Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the assets managed by the BOI AXA Investment Managers Private Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of BOI AXA Investment Managers Private Limited for the year ended 31 March 2019. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report.

For and on the behalf of the
Comptroller and Auditor General of India

sd/-

(Tanuja Mittal)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board-I, Mumbai

Place : Mumbai
Date : 5.07.2019



Ambekar Shelar Karve & Ambardekar

Chartered Accountant

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 we



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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.

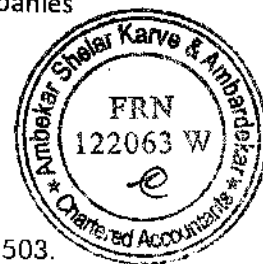
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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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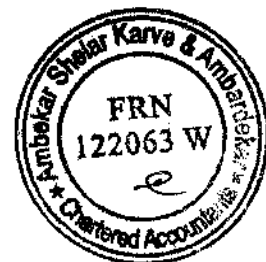
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Ambekar Shelar Karve & Ambardekar

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:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - 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.
 - 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
- 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.
 - 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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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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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

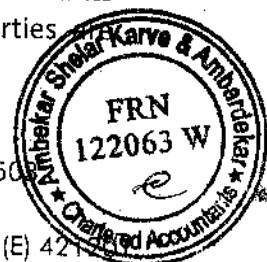
Chartered Accountant

- 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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Ambekar Shelar Karve & Ambardekar

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.

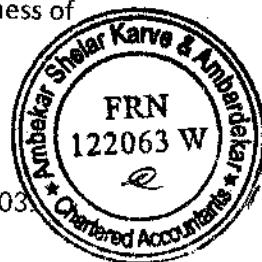
Management's Responsibility for Internal Financial Controls

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

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

		As at March 31, 2019	Amount in ₹ As at March 31, 2018
EQUITY AND LIABILITIES	Notes		
Shareholders' Funds			
Share Capital	3	2,146,035,840	2,146,035,840
Reserves and Surplus	4	(1,559,476,978)	(1,549,638,732)
Non-current Liabilities			
Long-term Provisions	5	16,607,000	10,327,000
Current Liabilities			
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
TOTAL		689,992,345	733,301,545
ASSETS			
Non-current Assets			
Fixed Assets			
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
Current Assets			
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
TOTAL		689,992,345	733,301,545

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

Shila

Sanket Mohan Chitale
Partner (M.No.149886)



Place : Mumbai
Date : April 24, 2019

For and on behalf of the Board of Directors

[Signature]

Director

DIN: 00075644

[Signature]

Director

DIN: 02602968

[Signature]
Chief Executive Officer

[Signature]
Deputy Chief Executive Officer

[Signature]
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
INCOME			
Revenue from Operation	18	534,242,582	558,649,177
Other Income	19	37,499,188	36,841,097
TOTAL		571,741,770	595,490,274
EXPENDITURE			
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
TOTAL		581,580,016	645,454,370
Loss Before Tax		(9,838,246)	(49,964,096)
Tax Expense	23		
- Current Tax		-	-
- Deferred Tax		-	-
Loss for the year		(9,838,246)	(49,964,096)
Earning per equity share (face value of ₹ 10 each) (Basic and Diluted)	24	(0.05)	(0.24)

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

Shelar

Director

DIN: 00075644

Ambardekar

Director

DIN: 02602968

Sanket Mohan Chitale

Partner (M.No.149886)

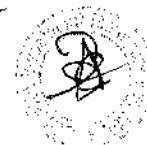
Sanket Mohan Chitale
Chief Executive Officer

Amruteshwar
Deputy Chief Executive Officer

Place : Mumbai
Date : April 24, 2019



RS Chauhan
Company Secretary
ACS (12416)



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

	<u>March 31, 2019</u>		Amount in ₹ <u>March 31, 2018</u>
CASH FLOW FROM OPERATING ACTIVITIES:			
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
NET CASH (USED IN)/FROM OPEARATING ACTIVITIES (A)		(26,745,253)	(65,209,062)
CASH FLOW FROM INVESTMENT ACTIVITIES :			
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
NET CASH (USED IN)/FROM INVESTMENTS ACTIVITIES (B)		26,064,909	(20,737,961)
CASH FLOW FROM FINANCING ACTIVITIES :			
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	-		-
NET CASH (USED IN)/FROM FINANCING ACTIVITIES (C)		-	85,800,000
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(680,344)	(147,023)
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR (#)		961,542	1,108,565
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR (#)		281,198	961,542

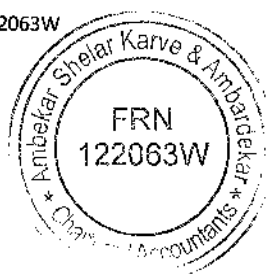
Cash and cash equivalents consist of cash on hand and balances with banks.

As per our report of even date

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

Sanket Mohan Chitale

Sanket Mohan Chitale
Partner (M.No.149886)



For and on behalf of the Board of Directors

[Signature]
Director
DIN: 00075644

[Signature]
Director
DIN: 02602968

[Signature]
Chief Executive Officer

[Signature]
Deputy Chief Executive Officer

[Signature]
Company Secretary
ACS (12416)

Place : Mumbai
Date : April 24, 2019



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
Authorised:		
215,000,000 (Previous year 215,000,000) Equity Shares of ₹ 10 each	2,150,000,000	2,150,000,000
Issued, Subscribed And Paid Up:		
214,603,584 (Previous year 214,603,584) Equity Shares of ₹ 10 each, fully paid up	2,146,035,840	2,146,035,840
	2,146,035,840	2,146,035,840

(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	214,603,584	2,146,035,840	214,603,584	2,146,035,840

(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, 2019	Amount in ₹ 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		
	1,094,478,280	1,094,478,280

(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%
	214,603,584	100%	214,603,584	100%



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

	Amount in ₹	
4. RESERVE AND SURPLUS	As at March 31, 2019	As at March 31, 2018
Share Premium Account		
Balance at the beginning of the year	1,110,482,130	1,110,482,130
Add: Premium on shares issued during the year	-	-
Balance at the end of the year	1,110,482,130	1,110,482,130
Deficit in Statement of Profit and Loss		
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)
Balance at the end of the year	(2,669,959,108)	(2,660,120,862)
	(1,559,476,978)	(1,549,638,732)
5. LONG TERM PROVISIONS	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
	16,607,000	10,327,000
6. TRADE PAYABLES	As at March 31, 2019	As at March 31, 2018
Sundry Creditors	345,000	3,400,360
	345,000	3,400,360
7. OTHER CURRENT LIABILITIES	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
	84,287,483	118,951,077
8. SHORT TERM PROVISIONS	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
	2,194,000	4,226,000



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	
	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	-	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	844,627	1,026,943
Computers-Servers and Networks	12,891,559	1,038,415	-	13,929,974	8,167,821	1,197,929	-	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	1,438,864	40,808
Leasehold Improvements	2,692,970	-	-	2,692,970	1,122,638	596,110	-	974,222	1,570,332
Electrical Installations	1,078,598	51,154	-	1,129,752	325,980	88,209	-	715,563	752,618
Motor Cars	-	-	-	-	-	-	-	-	-
Telecom Equipments	4,316,946	198,479	-	4,515,425	4,264,655	45,412	-	205,358	52,291
TOTAL	34,027,396	3,390,891	1,565,227	35,853,060	24,647,135	2,949,196	1,565,227	9,821,956	9,380,261
PREVIOUS YEAR	31,905,277	2,122,119	-	34,027,396	22,047,791	2,599,344	-	24,647,135	

10. INTANGIBLE ASSETS

Particulars	Gross Block				Depreciation/Amortisation			Net Block	
	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	-	3,404,497	5,319,261
TOTAL	11,314,187	42,362	-	11,356,549	5,994,926	1,957,126	-	3,404,497	5,319,261
PREVIOUS YEAR	5,663,765	5,650,422	-	11,314,187	5,355,203	639,723	-	5,994,926	



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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
	36,293,669	48,915,718

12. NON CURRENT INVESTMENTS

	As at March 31, 2019	As at March 31, 2018
Non Current Investment - (Non Trade, quoted)		
Investment in Mutual Fund Units (Includes Mandatory Investments):	43,468,586	35,468,586
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	-
	43,468,586	35,468,586

13. CURRENT INVESTMENTS

	As at March 31, 2019	As at March 31, 2018
Current Investment - (Trade, quoted)		
Investment in Mutual Fund Units:		
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
	530,000,050	530,000,039



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>

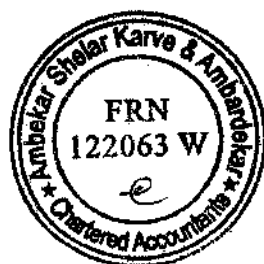
16. CASH AND BANK BALANCES

	As at March 31, 2019	As at March 31, 2018
Cash and Cash Equivalents		
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

	March 31, 2019	March 31, 2018
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	7.50%	6.00%
Attrition Rate	15.00%	10.00%

(e) Experience Adjustments:

	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
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:

	March 31, 2019	March 31, 2018
Long Term Provision	1,809,000	1,542,000
Short Term Provision	312,000	212,000
	<u>2,121,000</u>	<u>1,754,000</u>

(b) Actuarial Assumptions

Discount Rate	6.90%	7.40%
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(iii) Deferred Incentive Plan

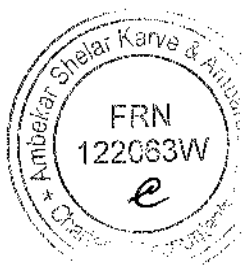
(a) Assets and Liabilities Recognised in the Balance Sheet

Recognised under:

	March 31, 2019	March 31, 2018
Long Term Provision	-	-
Short Term Provision	-	-
	<u>-</u>	<u>-</u>

(b) Actuarial Assumptions

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

Amount in ₹

21. OTHER EXPENSES

	Year Ended March 31, 2019	Year Ended March 31, 2018
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
	368,663,995	446,291,448

22. DEPRECIATION AND AMORTISATION EXPENSES

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



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

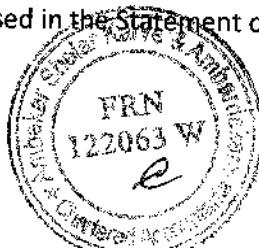
Tangible fixed assets are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

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.



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

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

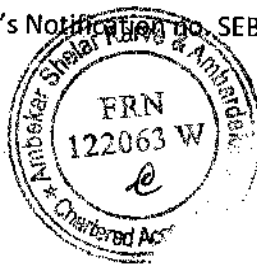
Assets acquired under lease where the Company has substantially all the risks and rewards of ownerships are classified as finance lease. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of the minimum lease payments and a liability is created 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's Notification No. SEBI/HO/IMD/DF2/CIR/P/2018/137



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

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 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	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.

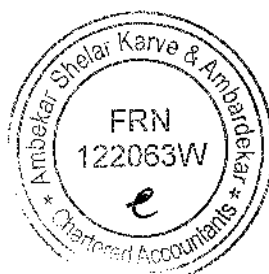


26. Leases**Operating Lease**

- 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 21 "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

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
Assets/(Liabilities)					
Share Capital issued during the year	AXA IM Asia Holdings Private Ltd	-	-	-	-
	Bank of India	-	(42,042,000)	-	-
		(43,758,000)	-	-	-
Share Capital	AXA IM Asia Holdings Private Ltd	-	1,051,557,560	-	-
	Bank of India	-	(1,051,557,560)	-	-
		1,094,478,280	-	-	-
		(1,094,478,280)	-	-	-
Share Premium	AXA IM Asia Holdings Private Ltd	-	1,110,482,130	-	-
		-	(1,110,482,130)	-	-
Revenue from Operations:					
Asset Management Fees	BOI AXA Mutual Fund	-	-	534,242,582	-
		-	-	(558,649,177)	-
Expenses:					
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 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



Sanket Mohan Chitale
Partner (M.No-149886)



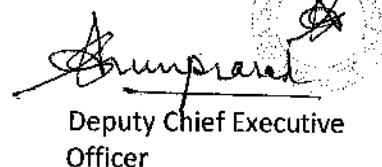
Director
DIN: 00075644



Director
DIN: 02602968



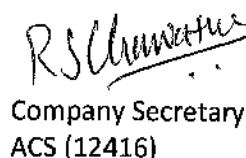
Chief Executive Officer



Deputy Chief Executive
Officer

Place : Mumbai

Date : April 24, 2019

Company Secretary
ACS (12416)



BOI AXA Investment Managers Pvt. Ltd.

B/204, Tower 1, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013, India.

CIN : U65900MH2007FTC173079