



BOB Asset Management Company Ltd.

BOB Mutual Fund
(Sponsor : Bank of Baroda)

BOB

LIQUID FUND

BOB

INCOME FUND

BOB

ELSS'96

BOB

BALANCE FUND

BOB

GROWTH FUND

BOB

DIVERSIFIED FUND

BOB

GILT FUND

BOB

MIP FUND

BOB

**CHILDREN
FUND**

**15th Annual
Report
2006-2007**

BARODA

GLOBAL FUND



15TH ANNUAL REPORT 2006-2007

BOARD OF DIRECTORS

Shri Bhagirat B. Marchant	Director
Shri S. D. Abhyankar	Director
Shri Subhash S. Mundra	Director
Shri S. Bhattacharya	Managing Director

COMPANY SECRETARY

Shri Krishna Kumar Kushwaha

AUDITORS

M/s Babu U. Chokshi & Co

BANKERS

Bank of Baroda

REGISTERED OFFICE:

105, Maker Chamber III,
10th Floor, Nariman Point,
Mumbai-400021

**NOTICE OF FIFTEENTH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Fifteenth Annual General Meeting of BOB Asset Management Company Limited, will be held at Conference Room No. 8A, Baroda Corporate Centre, C- 26, G- Block, Bandra Kurla Complex, Bandra (E) Mumbai 400 051, on Saturday, September 8, 2007 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2007 and Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon along with comments received from Comptroller and Auditor General of India.
- 2) To appoint a Director in place of Shri. S. D. Abhyankar, who retires by rotation and being eligible, offers himself for the re-appointment.
- 3) To authorize the Board of Directors to appoint Auditors on the directions of Comptroller & Auditor General of India for the financial year 2007-2008 and to fix their remuneration.

SPECIAL BUSINESS

- 4) To consider and, if thought fit, to pass the following resolution with or without modification as an ordinary resolution,

"RELOVED THAT pursuant to the provision of section 257 of the companies Act, 1956 Shri Subhash S. Mundra be and is hereby appointed as a Director of the Company, liable to retire by rotation.

FURTHER RESOLVED THAT Shri S. Bhattacharya and Shri Krishna Kumar Kusshwaha company secretary be and are hereby authorized to file the Form - 32 with the Registrar of Companies."

By order of the Board of Directors

Krishna Kumar Kushwaha
Company Secretary

Place: Mumbai
Date: August 13, 2007

Notes:

1. An Explanatory Statement Pursuant to Section 173 (2) of the Companies Act 1956 is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the company. A proxy cannot vote except on a poll.
3. The instrument appointing the proxy should be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

Explanatory Statement pursuant to the provision of Section 173 (2) of the Companies Act, 1956.

Item No-4

Shri Subhash S. Mundra was appointed as an Additional Director on the Board of Your Company with effect from July 04, 2007 pursuant to the provisions of section 260 read with Article 145(2) of the Articles of Association of the Company and holds office of Director up to the date of ensuing Annual General Meeting. The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Shri Subhash S. Mundra for the office of Director under the provision of Section 257 of the companies Act, 1956. The resolution is accordingly commended for your acceptance.

None of the Directors of the company other than Mr. Subhash S. Mundra is interested in this resolution.



DIRECTORS' REPORT TO MEMBERS

Your Directors have pleasure in presenting the Fifteenth Annual Report of the company together with the Audited Balance Sheet as on 31.03.2007 and Profit & Loss A/c for the year ended at that date.

FINANCIAL PERFORMANCE OF THE COMPANY FOR YEAR ENDED MARCH 31, 2007

	As at 31.3.07 (Rs in lacs)	As at 31.3.06 (Rs in lacs)
Total Income	274.58	204.27
Profit Before Depreciation	148.70	43.34
Less Depreciation	2.49	7.93
Profit Before Tax	146.21	35.41
Less Provision for Tax	29.34	1.08
Profit After Tax	116.87	34.32
Less Prior Period Adjustment	18.05	0.86
Profit after Tax & Adjustment	98.82	33.46
Add Balance in Profit & Loss A/c B/f	769.68	736.21
Reserve & Surplus	868.50	769.67
APPROPRIATION		
Proposed Dividend	-	-
General Reserve	-	-
Balance Carried Forward	868.50	769.67

The Total income of the Company has increased to Rs. 274.58 lac in the year 2006-07 from Rs. 204.27 lac in the previous year.

SHARE CAPITAL

The Paid up Equity Share Capital of the Company is Rs.20 crore and net worth of the company was Rs. 28.65 crore as on March 31, 2007.

PROFITABILITY

The net profit after tax for the financial year 2006-07 was Rs.116.87 lacs as against Rs. 34.32 lac in 2005-06 showing a growth of 240.53%.

DIVIDEND

Although the Company has made profits during the fifteenth year in succession, your Directors do not recommend any dividend for the year 2006-07 with a view to consolidating the resources of the Company and strengthening the net worth in keeping with the challenges faced by the mutual fund industry.

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC SCENARIO

Indian economy has been on a high growth trajectory in the recent years. GDP growth in 2006-07 was around 9.4%. In absolute terms the GDP of the country at constant prices stood at Rs 2848157 crores for 2006-07 showing an annual rise of 9.4% over the previous year. In 2006-07 GDP growth was mainly fueled by industry and services that grew at 10.9% and 11.0% respectively and contributed 26.6% and 54.9 % to the total GDP growth. However, during the year 2006-07 agriculture and allied services failed to maintain the growth momentum of 2005-06.

During 2006-07, the Indian capital market scaled newer heights with the 30 share benchmark Sensex hovering around 14K mark as on March 2007. The BSE index ended 2006-07 with a growth of 15.9%. Indian corporates raised Rs. 1,93,823 crore in 2006-07 through debt - 88% over the amount raised last year. Over 65% of the debt - Rs. 1,24,923 crore was raised from overseas markets through bonds, foreign currency convertible bonds and syndicated loans.

The overall WPI based inflation for 2006-07 averaged at 5.4% as against the 4.4% in 2005-06. For the current fiscal (2007-08) RBI has kept the target inflation rate around 4.5%. Monetary and other measures adopted by RBI and the Government are expected to help in restraining the inflation within the targeted range.

Indian trade numbers available for the year 2006-07 shows Indian exports growing at 20.9% as against the high growth of 24% in 2005-06 in US dollar terms. However Indian imports soared at 26.4% during the year, further widening the trade deficit.

Capital Inflows for the period April-February 2006-07 have swept past the inflows received during the entire 2005-06. Direct investment contributed USD 17.1 billion during April- February period of 2006-07; this was much higher than USD 7.7 billion received in the entire 2005-06.

MUTUAL FUND INDUSTRY

The Mutual Fund industry witnessed significant development during the fiscal year 2006-07. It launched as many as 414 new schemes which together mobilised Rs. 1,37,247 crore (Rs. 70,583 in the previous year). Total fund mobilised during the year stood at Rs. 19,38,592 crore as against Rs. 10,98,158 crore in the last year representing an increase of 76.53%. The industry also witnessed a gross redemption of Rs. 18,44,512 crore representing 76.44% increase over the previous



year figure 10,45,382 crore. On a net basis there was an inflow of Rs. 94,080 crore as against Rs. 52,776 crore in the previous year. The assets under management as on March 31, 2007 stood at Rs. 3,26,388 crore as against Rs. 2,31,862 crore as at March 31, 2006, registering an increase of 40.76% over the year. Investor friendly market related products; extension of branch network and investor awareness campaign etc by the AMCs contributed to the increased inflow into the schemes. The market also widened by reaching to the rural and non-metro areas.

FUTURE OUTLOOK

It is expected that the upswing in the industry and services sectors will continue and, indeed, accelerate over the next few quarters, as domestic and external demand continue to strengthen. Across sectors, companies are preparing to meet rising demand expectations by expanding capacity, modernizing technology and focusing on their marketing strategy. It is proposed that the branch network of the Bank, especially in the rural and semi-urban areas would be used for broadening investor base.

STATE OF COMPANY AFFAIRS

The Company is a wholly owned subsidiary of Bank of Baroda and is an Investment Manager for BOB Mutual Fund. The Company has come a long way from 1994-95 when it launched its first scheme (BOB ELSS'95) collecting a corpus of Rs.37.84 crore. As on March 31, 2007 the Company was managing 11 Schemes having net assets of Rs.92.36 Crore.

The total net assets of all the schemes as on 31-03-2007 was as follows:

Scheme	Net Assets (Rs. in Crore)
BOB DIVERSIFIED FUND	27.73
BOB ELSS 96	8.87
BOB ELSS 97	1.74
BOB Liquid Fund	34.65
BOB Income Fund	0.44
BOB Gilt Fund	0.54
BOB Balance Fund	0.85
BOB Growth Fund	8.65
BOB MIP Fund	0.06
BOB Children Fund	0.04
Baroda Global Fund	8.59
Total	92.36

DIRECTORS

Shri Subhash S. Mundra has been appointed as an Additional Director of the Company since July 4, 2007 and he is entitled to hold office only up to the date of the next Annual General Meeting.

Shri J. K. Chandar, Shri R. R. Kumar and Shri Anil D. Parulkar resigned from the Directorship of the Company on September 23, 2006, October 1, 2006 and June 8, 2007 respectively.

The Board expressed appreciation for the valuable contribution made by Shri J.K.Chandar Shri R. R. Kumar and Shri Anil D. Parulkar during their tenure. The Board also extended best wishes to Shri Anil D. Parulkar on his appointment as Executive Director of Bank of India.

PARTICULARS OF EMPLOYEES

The provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1988, as amended are not applicable to the Company, as there is no employee whose remuneration is in excess of the limits prescribed.

Directors' Responsibility Statement Pursuant to Section 217(2AA) of the Companies Act, 1956

Pursuant to section 217(2AA) of the Companies Act, 1956, your Directors, based on the representation received from the Management, and due enquiry, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- The accounting policies have been consistently followed 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 profit for that period.
- Proper and sufficient care has been taken by your Directors for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for the preventing and detecting fraud and other irregularities.
- The Annual Accounts of the company have been prepared on an ongoing basis.

AUDITORS

The Company's present Auditor M/s Babu Chokshi & Co. Chartered Accountants, hold the office till the conclusion of the ensuing Annual General Meeting. Since not less than 51% of the paid-up capital is held by Bank of Baroda, the Auditors of the Company for the financial year 2007-2008 will be appointed by the Comptroller and Auditor General of India, New Delhi in terms of clause (f) of section 619B of the Companies Act, 1956.

Information under section 217(1) (e) of the Companies Act, 1956

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/ Outgo

BOB ASSET MANAGEMENT COMPANY LIMITED

There are no particulars under the above head, as it does not apply to our business activities.

REPORT ON CORPORATE GOVERNANCE**BOARD OF DIRECTORS**

BOB Asset Management Company Ltd. has the following four Directors (including Managing Director), out of whom two Directors are Non-Executive Independent Directors.

Shri Bhagirat B. Merchant	Director
Shri Sharadchandra Abhyankar	Director
Shri Subhash S. Mundra	Director
Shri S. Bhattacharya	Managing Director

Shri Subhash S. Mundra has been appointed as an Additional Director of the Company since July 4, 2007 and he is entitled to hold office only up to the date of the next Annual General Meeting. Shri J. K. Chandar, Shri R. R. Kumar and Shri Anil D. Parulkar resigned from the Directorship of the Company on September 23, 2006, October 1, 2006 and June 8, 2007 respectively.

Directors Seeking re-appointment: Shri Sharadchandra Abhyankar is liable to retire by rotation and being eligible, has offered himself for re-appointment.

BOARD MEETINGS

The Board meets at least four times a year and the maximum gap between two meetings is not more than four months. During the financial year 2006-07, 9 meetings of the Board of Directors were held on April 26, 2006, June 12, 2006, July 20, 2006, September 23, 2006, October 27, 2006, October 28, 2006, December 20, 2006, January 22, 2007 and March 28, 2007.

BOARD COMMITTEES**Audit Committee**

The Audit Committee of the Board of Directors has been constituted in line with the provisions of Section 292A of the Companies Act, 1956. The Audit Committee comprises of Shri Bhagirat B. Merchant (Chairman), Shri S. D. Abhyankar and Shri Subhash S. Mundra. The Audit Committee of the Board of Directors held 5 meetings during financial year 2006-07 on April 26, 2006, June 12, 2006, October 27, 2006, December 20, 2006 and January 29, 2007.

ANNUAL GENERAL MEETINGS

The details of Annual General Meetings held during the last three years are given below:

AGM	Date	Venue
12 th AGM	21.08.2004	BOB AMC Limited 105, Maker Chambers III, Nariman Point, Mumbai 21
13 th AGM	20.09.2005	BOB AMC Limited 105, Maker Chambers III, Nariman Point, Mumbai 21
14 th AGM	23.09.2006	BOB AMC Limited 105, Maker Chambers III, Nariman Point, Mumbai 21

AUDITORS REPORTS

The observations made by the Auditors in their report are self-explanatory and therefore, do not call for any comments.

APPRECIATION

The Directors place on record their appreciation for the assistance and guidance rendered by Securities and Exchange Board of India, Association of Mutual Funds in India, Reserve Bank of India, Bank of Baroda and Trustees of BOB Mutual Fund. The Directors also thank the investors for having reposed their confidence in BOB Mutual Fund.

The Directors wish to take this opportunity to thank:

- M/s Karvy Computershare Private Limited, the Registrar and Share Transfer Agents of BOB Mutual Fund for the services rendered by them
- M/s SHAREX dynamic (India) Pvt. Ltd. the Registrar and Share Transfer Agents of BOB Asset Management Company Limited for the services rendered by them
- M/s Karvy Computershare Private Limited, HDFC Bank Limited and Bank of Baroda for providing collection centers for various schemes of the BOB Mutual Fund
- Bank of Baroda for helping in marketing of our schemes and collection of investments all over the country
- HDFC Bank, custodians of schemes of BOB Mutual Fund and the Company for the services rendered by them

The Directors also appreciate the dedication and sense of commitment shown by the employees at all levels and acknowledge their contribution toward the progress and performance of the Company.

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
Bhagirat B. Merchant	S. Bhattacharya	Krishna Kumar
Director	Managing Director	Kushwaha
		Company Secretary

Place: Mumbai
Date: 7th August 2007

**COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT 1956 ON THE ACCOUNTS OF BOB ASSET MANAGEMENT COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2007.**

The preparation of financial statements of BOB Asset Management Company Limited, Mumbai for the year ended 31 March 2007 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 2270 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 17 April 2007.

I on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of BOB Asset Management Company Limited, Mumbai for the year ended 31 March 2007. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor 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 Auditor's Report Under Section 619(4) of the Companies Act, 1956.

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

Sd/-
(Sushama v. Dabak)
Principal Director of Commercial
Audit and Ex- officio Member,
Audit Board- I, Mumbai

Place : Mumbai
Date: 31 May 2007



AUDITOR'S REPORT

To The Members Of Bob Asset Management Co. Ltd.

We have audited the attached Balance Sheet of BOB ASSET Management Company Ltd. as at 31st March 2007 and also the Profit & Loss Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements, based on our audit.

We conducted our audit in accordance with auditing standards, generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order, as applicable to the Company.

Further to our comments in the Annexure referred to above, we report that:

- i) We have obtained all the information and explanations, which, to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii) The Balance Sheet and Profit & Loss account dealt with by this report are in agreement with the books of account;
- iv) In our opinion, the Cash flow dealt with by this report comply with accounting standard referred to in Sub-Section (3c) of Section 211 of the Companies Act, 1956.
- v) In our opinion, the Balance Sheet and Profit & Loss account dealt with by this report comply with the accounting standards referred to in

sub-section (3C) of Section 211 of the Companies Act, 1956;

- vi) On the basis of written representations received from the directors as on 31st March 2006, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2006 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- vii) In our opinion and to the best of our information, and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2007.
 - b) In the case of Profit & Loss Account, of the profit for the year ended on that date.
 - c) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

For Babu Chokshi & Co.
Chartered Accountants

Sd/-
Sanjay Chokshi
Partner
Mem.No.48508

Place: Mumbai
Date: 17th April 2007

**ANNEXURE TO AUDITORS' REPORT (Referred to in our report of even date)****(i) Fixed Assets**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All the fixed assets of the Company have been physically verified by the management at the end of the year. No material discrepancies were noticed on such verification. In our opinion, having regard to size of the Company and the nature of its business, the frequency of verification is reasonable.
- c) During the year, the Company has not disposed off substantial part of fixed assets.

(ii) Inventories

The Company does not deal in goods and no inventory is being maintained, hence no comments are required for the same.

(iii) Loans and Advances

The Company has not taken or granted any loans from/to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(iv) Internal Controls

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and sale of services. The Company does not deal in any goods and hence no comments are required with respect to internal controls for the purchase and sale of goods. During the course of our audit, no major weakness was noticed in the internal controls.

(v) Related Party

- a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the

Companies Act, 1956 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) Fixed Deposits

The Company has not accepted deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there-under are not applicable to the Company.

(vii) Internal Audit

In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

(viii) Cost Records

To the best of our knowledge and as explained to us, the Central government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for any of the products of the Company.

(ix) Statutory dues

- a) According to the records of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax and other statutory dues were outstanding as at 31st March, 2006 for a period of more than six months from the date they became payable.
- b) According to the records of the Company, there are no dues of income tax, wealth tax, or other statutory dues, which have not been deposited on account of any dispute.

Other Matters

- (x) The Company has been registered for a period of more than five years and it has no accumulated losses as on 31st March, 2006. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.



- (xi) Based on our audit procedures and on the basis of the information and explanations given by the management, the Company has not defaulted in repayment of dues to bank. The Company has not taken any loan from financial institutions. Further, no loan has been taken by way of issuance of debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other investments in its own name.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) Based on our examination of records and information and explanations given to us, the Company has not borrowed by way of term loan.
- (xvii) According to information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) So far, the Company has not issued any debentures.
- (xx) The Company has not raised any money through public issue.
- (xxi) Based on the information and explanations furnished by the management, which have been relied upon by us, there were no fraud on or by the Company noticed or reported during the year.

For Babu Chokshi & Co.
Chartered Accountants

Sd/-
Sanjay Chokshi
Partner
Mem.No.48508

Place: Mumbai
Date: 17th April 2007


BALANCE SHEET AS AT 31st MARCH, 2007

		SCHEDULE		AS AT 31.3.2007 (2006 - 2007)		AS AT 31.03.2006 (2005 - 2006)	
				Rs.	Rs.	Rs.	Rs.
SOURCE OF FUNDS							
1) Shareholders' Funds							
a) Share Capital	A			200,000,000		200,000,000	
b) Reserves & Surplus	B			86,850,225		76,967,756	
				<u>286,850,225</u>		<u>276,967,756</u>	
APPLICATION OF FUNDS							
1) Fixed Assets							
Gross Block	C			5,554,229		5,540,110	
Less : Depreciation				<u>4,854,387</u>		<u>4,596,793</u>	
NET BLOCK				699,842			943,317
2) Investments	D			218,308,924			228,083,107
3) Deferred Tax Asset							
Deferred Tax asset				772,184		437,493	
Less: Deferred Tax Liability				<u>88,387</u>		<u>274,646</u>	
				683,797			162,847
3) Current Assets, Loans & Advances							
Less : Current Liabilities and Provisions	E			97,644,171		77,226,885	
	F			<u>30,749,097</u>		<u>30,264,343</u>	
NET CURRENT ASSETS				66,895,074			46,962,542
4) Miscellaneous Expenditure (to the extent not written off or adjusted)	G			262,588			815,943
				<u>286,850,225</u>		<u>276,967,756</u>	
NOTES ON ACCOUNTS							
	O						

The Schedules referred to above form an integral part of the Balance Sheet As per our Report of even date

For BABU U. CHOKSHI & CO.
CHARTERED ACCOUNTANTS

(SANJAY B. CHOKSHI)
Partner
M. No. 48508

Place : Mumbai
Date : 17th April 2007

For and on behalf of Board of Directors

Bhagirat B. Merchant

Sharadchandra D. Abhyankar

Anil D. Paruikar

S. Bhattacharya

Krishna Kumar Kushwaha
(Company Secretary)



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2007

SCHEDULE	CURRENT YEAR		PREVIOUS YEAR	
	1.4.2006 TO 31.3.2007		1.4.2005 TO 31.03.2006	
	Rs.	Rs.	Rs.	Rs.
INCOME				
Interest on Debentures / Bonds T.D.S. Rs.8,66,184/- (Previous Year Rs.8,50,884/-)		4,590,102		4,627,481
Interest on Deposits T.D.S. Rs.4,91,770/- (Previous Year Rs.7,36,605/-)		4,058,925		4,103,317
Dividend on Preference Shares/ units T.D.S. Rs.NIL/- (Previous Year Rs.NIL)		-		1,792,052
Management Fees from BOB Mutual Fund T.D.S. Rs.7,19,714/- (Previous Year Rs.4,54,978/-)	H	12,215,772		8,110,121
Profit on sale / redemption of Investments	J	6,588,098		1,650,499
Profit on sale of UPS		5,000		-
Income Tax Refund		-		-
Other Income	K	467		143,715
		27,458,364		20,427,185
EXPENDITURE				
Staff Expenses	L	4,500,587	5,137,351	
Rent, Rates & Taxes	M	1,318,948	1,384,691	
Legal & Professional Expenses		67,392	63,653	
Stamp Charges		-	-	
Remuneration to Statutory Auditor's				
- As Audit Fees		13,483	12,000	
- As Other Fees (Tax audit)		13,483	32,510	
- As Other Fees (Certification)		1,000	-	
- Out of Pocket Expenses		1,650	560	
Out of Pocket Exps Concurrent Auditor		3,500	-	
Remuneration to Tax Auditor's		-	-	
Advertisement & Publicity Expenses		16,900	395,588	
Other Operating Expenses	N	4,513,085	6,036,559	
Depreciation		248,891	793,549	
Depreciation in value of investments		1,486,712	768,137	
Loss on Conversion / Redemption of Invts.	I	97,818	-	
Deferred Revenue Exps w/off		553,355	2,176,311	
Preliminary Exps w/off		-	52,493	
Office equipment & security deposit w/off		-	32,542	
		12,836,803		16,885,944
Profit Before Taxation (PBT)		14,621,561		3,541,241
Less: Provision for Deferred Taxes (Current Year)				
Deferred Tax Asset created		(334,691)	(135,405)	
Deferred Tax Liability W/off		(186,259)	(820,294)	
: Provision for Taxation (Normal Tax)		3,400,000	1,000,000	
: Provision for Taxation (Fringe Benefit)		55,000	64,000	
		2,934,050		108,301
		11,687,511		3,432,940
Less : Prior period adjustments				
Prior Period Expenses		1,987,250	87,535	
Less : Prior Period Income		(182,209)	(1,372)	
Profit After Tax & Adjustment (PAT)		9,882,469		3,346,777
Add : Prior period adjustments		-		-
Add : Balance of Profit from last year		76,967,756		73,620,979
Balance Carried to Balance Sheet		86,850,225		76,967,756
NOTES ON ACCOUNTS	O			

The Schedules referred to above form an integral part of the Balance Sheet As per our Report of even date

For BABU U. CHOKSHI & CO.
CHARTERED ACCOUNTANTS

(SANJAY B. CHOKSHI)
Partner
M. No. 48508
Place : Mumbai
Date : 17th April 2007

For and on behalf of Board of Directors

Bhagirat B. Merchant

Sharadchandra D. Abhyankar

Anil D. Parulkar

S. Bhattacharya

Krishna Kumar Kushwaha
(Company Secretary)


CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.3.2007

	31.3.2007 Amount Rs.'000	31.3.2006 Amount Rs.'000
Cash flows from operating activities		
Net Profit before taxation, and prior period item as on 31.03.2007	14622	3541
Add/(Less) Non Cash Items:		
Depreciation on Fixed Assets	249	794
Depreciation in value of Investments	1487	768
Deferred Revenue Expenses w/off	553	2176
Preliminary Expenses w/off	0	52
Office equipment & security deposit w/off	0	33
Profit on redemption of investments	(6588)	(1650)
Loss on redemption of investments	98	0
Interest on Debentures / Bonds	(4590)	(4627)
Interest on Deposits	(4059)	(4103)
Dividend on Preference shares/units	0	(1792)
	(12850)	(8349)
Less: Increase in Current Assets:		
Increase (Decrease) in Other Receivables	(188)	2465
Increase in Loans and Advances	4325	(15)
Decrease in Current Liabilities	2970	(11771)
	7107	(9321)
Less: Prior period item	1805	86
Net cash from operating activities	(7140)	4427
Cash flows from investing activities		
Purchase of Fixed Assets	(56)	(173)
Increase in Investments:	(76807)	(84500)
Sale of Fixed Assets	50	0
Sale of Investments	85094	20850
Interest on Debentures / Bonds	4590	4627
Interest on Deposits	4059	4103
Dividend on Preference shares/units	0	1792
Profit on redemption of investments	6588	1650
Loss on redemption of investments	(98)	0
Increase in Receivables	0	10000
Increase in Interest Accrued on Investments	(1197)	1165
	22223	(40486)
Net cash from investing activities	22223	(40486)
Cash flows from financing activities	0	0
Net increase in cash & cash equivalents	15083	(36059)
Cash & cash equivalents at the beginning of period (01/04/2006)	44808	80867
Cash & cash equivalents at the end of period (31/3/2007)	59891	44808
Net increase in cash & cash equivalents	(15083)	36059

The Schedules referred to above form an Integral part of the Balance Sheet As per our Report of even date

For BABU U. CHOKSHI & CO.
CHARTERED ACCOUNTANTS

(SANJAY B. CHOKSHI)
Partner
M. No. 48508

Place : Mumbai
Date : 17th April 2007

For and on behalf of Board of Directors

Bhagirat B. Merchant

Sharadchandra D. Abhyankar

Anil D. Parulkar

S. Bhattacharya

Krishna Kumar Kushwaha
(Company Secretary)



**SCHEDULES FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2007**

	AS AT 31.3.2007 Rs.	AS AT 31.03.2006 Rs.
SCHEDULE 'A'		
SHARE CAPITAL :		
Authorised :		
200,00,000 Equity shares of Rs.10/- each	<u>200,000,000</u>	<u>200,000,000</u>
(200,00,000 Equity shares of Rs.10/- each)		
Issued, Subscribed & Paid Up :		
200,00,000 Equity shares of Rs.10/- each fully paid up.	<u>200,000,000</u>	<u>200,000,000</u>
(200,00,000 Equity Shares of Rs.10/- each fully paid up)		
The entire Share Capital is held by Bank of Baroda & its nominees.		
SCHEDULE 'B'		
RESERVES & SURPLUS :		
Surplus as per Profit & Loss Account		
Opening Balance as per Last Balance Sheet	76,967,756	73,620,979
Add : Surplus during the year	<u>9,882,469</u>	<u>3,346,777</u>
	<u>86,850,225</u>	<u>76,967,756</u>
	<u>86,850,225</u>	<u>76,967,756</u>

SCHEDULE 'C'

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As At 01.04.2006	Additions During The Period	Deductions During The Period	As At 31.3.07	Upto 31.03.2006	For The Year	On Deductions During The Period	Upto 31.3.07	As At 31.3.07	As At 31.03.2006
	(RS.)	(RS.)	(RS.)	(RS.)	(RS.)	(RS.)	(RS.)	(RS.)	(RS.)	(RS.)
Motor Car	487,521	-	-	487,521	335,537	39,349	-	374,886	112,635	151,984
Computers	3,563,549	55,750	-	3,619,299	3,481,982	86,216	-	3,568,198	51,101	81,567
Software	32,575	-	-	32,575	32,575	-	-	32,575	-	-
Furniture & Fixtures	725,752	-	41,876	683,876	371,725	62,841	20,166	414,400	269,476	354,027
Office Equipment	774,458	-	43,500	730,958	418,719	60,485	14,876	464,328	266,630	355,739
TOTAL	5,583,855	55,750	85,376	5,554,229	4,640,538	248,891	35,042	4,854,387	699,842	943,317
PREVIOUS YEAR	5,605,784	173,099	238,773	5,540,110	4,012,475	793,549	209,231	4,596,793	943,317	1,593,309



		AS AT 31.3.2007 (RS.)	AS AT 31.03.2006 (RS.)
SCHEDULE 'D'			
INVESTMENTS (At Cost OR Market Value whichever is less) :			
QUOTED			
Traded:			
Bonds			
200	bonds	20,000,000	20,000,000
	14.3% Bank of Baroda Bonds - Series II (option - III) of Rs.100000/- each. Price as on 31.3.2007 - Rs. 106.59 per unit		
108118	(Previous year - 108118 units) 6.75% UTI Bonds-2008 (Tax Free) of 100/- each (Converted into Bonds on 1.6.2003) Price as on 31.3.2007 - Rs. 96.4639	10,429,484	10,811,800
Non-Convertible Debentures			
100	(Previous year - 100 bonds) 10% National Textile Corporation Ltd. of Rs.100000/- each. Price as on 31.3.2007 Rs.100034.9195	10,003,492	11,090,500
Govt. Security			
100	units of 11.03% GOI 2012 (Face Value of Rs. 100 each). Price as on 31.3.2007 Rs. 112.319	11,232	-
Equity Shares			
613	shares of Cinemax (I) Ltd. @Rs.155 per share Price as on 31.3.07 Rs.127.15	77,943	-
Non-Traded:			
Units			
NIL	(Previous year - 1000000 units) Units of UTI MIP'2000 (II) Annual	-	-
UN-QUOTED UNITS			
896026.173	(Pr. Year - 896026.173 Units) Units of BOB Diversified Fund (Dividend) NAV PER UNIT Rs. 29.51 AS ON 31.3.2007	18,000,000	18,000,000
0	(Pr. Year - 482225.180 Units) Units of BOB MIP - Growth Plan NAV PER UNIT Rs. 11.7691 AS ON 28.2.2007	-	5,000,000
0	(Pr. Year - 482197.277 Units) Units of BOB MIP - Monthly Dividend NAV PER UNIT Rs. 11.7740 AS ON 28.2.2007	-	5,000,000
9934992.626	(Pre year - 4520087.754 units) Units of BOB LIQUID FUND (Growth) NAV PER UNIT Rs. 13.4066 AS ON 31.3.2007	123,782,955	52,190,754
0	(Previous year-2200000 units) Units of BOB GILT FUND (Growth) NAV PER UNIT Rs. 11.3138 AS ON 28.2.2007	-	22,728,640
0	(Pr. Yr. - 1700000 units) Units of BOB GILT P.F. PLAN (Growth) NAV PER UNIT Rs. 10.6701 AS ON 28.2.2007	-	16,509,550
91142.286	(Pr. Yr. - 92490.604) Units of BOB INCOME FUND (Growth) NAV PER UNIT Rs. 12.6749 AS ON 31.3.2007	1,083,972	1,100,000
0	(Pr. Yr. - 377427.877 units) Units of BOB NRI FUND-SHORT TERM BOND (Growth) NAV PER UNIT Rs. 0 CLOSED ON 5.05.2006	-	3,900,000
96476.879	(Pr. Yr. - 114621.811 units) Units of BOB BALANCE FUND (Growth) NAV PER UNIT Rs. 22.07 AS ON 31.3.2007	1,158,260	1,376,000
84502.183	(Pr. Yr. - 84502.183 units) Units of BOB GROWTH FUND (Growth) NAV PER UNIT Rs. 28.26 AS ON 31.3.2007	1,144,000	1,144,000
3299434.025	(Pr. Yr. 5993186.739 units) Units of Baroda Global Fund (Growth) NAV PER UNIT Rs. 10.13 AS ON 31.3.2007	32,617,586	59,231,863
		218,308,924	228,083,107

BOB ASSET MANAGEMENT COMPANY LIMITED



	AS AT 31.3.2007		AS AT 31.03.2006	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'E'				
CURRENT ASSETS, LOANS & ADVANCES, DEPOSITS :				
a) Current Assets				
Interest accrued on Investments	3,042,798	1,845,966		
Receivables (Unsecured, considered good unless other wise stated) Over six months***	10,000,000	10,000,000		
Others	2,276,988	2,464,930		
Sales Receivables on UTI MIP Units 2000(II)	-	-		
Cash & Balance with Banks			3,769	
Cash in hand	2,311			
Bank Balances			2,767,054	
In Current Account with Scheduled Banks	888,729			
Deposits			42,036,853	
In Fixed Deposit with Scheduled Banks	59,000,000			
		75,210,826		59,118,572
b) Loans & Advances (Unsecured considered good , unless otherwise stated) Advances recoverable in cash or in kind for value to be received (Includes Advance Tax Rs.10,798,780 (Previous Year - Rs.8,753,700), T.D.S Rs.10,988,296 (Previous Year - Rs. 8,873,614) and FBT amounting to Rs.114,600 (Previous Year - Rs.63,800)		22,433,345		18,108,313
		97,644,171		77,226,885
*** Amount recoverable from ATCOM Technologies being investment in Pref. Shares.				
SCHEDULE 'F'				
CURRENT LIABILITIES & PROVISIONS :				
a) Current Liabilities		4,302,019		
Bank Overdraft				
(Against FD of Rs. 36 lac & Rs.200 lac from OBC)				
Liability for Expenses:				
Provision for Gratuity Payable	39,115		65,942	
Amount Payable on to BOB Liquid Fund	764,246		1,842,654	
Amount Payable to BOB Income Fund	132,433		52,948	
Amount Payable on to BOB Growth Fund	-		150,227	
Amount Payable to BOB Balance Fund	94,768		4,076	
Amount payable to of BOB NRI FUND - STB	23,714		51,567	
Amount payable to BOB NRI FUND - LTB	2,342		7,380	
Amount Payable to BOB NRI Flexi Asset Plan	7,554		10,064	
Amount Payable to BOB MIP Fund	1,037,295		1,037,295	
Amount Payable to BOB Children Study Plan	14,280		6,506	
Amount Payable to BOB Children Gift Plan	41,679		7,762	
Amount Payable to Baroda Global Fund	84,834		4,085,636	
Amount Payable to ELSS 96	-		-	
Amount Payable to BOB	-		88,424	
Outstanding rents, rates & taxes	-		-	
Provision for Expenses 2004-2005	-		1,092,439	
Provision for Expenses 2005-2006	-		1,255,766	
Provision for Expenses 2006-2007	740,337		-	
	7,284,616		9,758,686	
	4,705,681		5,201,857	
Other liabilities *		11,990,297		14,960,543
b) Provisions				
For Taxation (Fringe Benefit Tax)	119,000		64,000	
For Taxation (Normal Tax)	18,639,800		15,239,800	
	30,749,097		30,264,343	



	AS AT 31.3.2007 (RS.)	AS AT 31.03.2006 (RS.)
SCHEDULE 'G'		
MISCELLANEOUS EXPENDITURE :		
(to the extent not written off)		
Preliminary Expenses	-	-
Deferred Revenue Expenditure	262,588	815,943
	262,588	815,943

* Foot Note: Other liabilities includes amount received from Kinetic Finance Rs. 43,92,608/-, payable to unit holders of STP plan after deducting legal & other fees.

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2007

	For the Period 1.4.2006 to 31.3.2007 (RS.)	For the Period 1.4.2005 to 31.03.2006 (RS.)
SCHEDULE 'H'		
Management Fees:		
From BOB DIVERSIFIED FUND	3,542,486	3,136,490
From BOB ELSS'96	1,316,807	705,217
From BOB ELSS'97	292,487	245,811
From BOB LIQUID FUND	1,799,357	2,353,853
From BOB INCOME FUND	34,839	38,053
From BOB SHORT TERM PLAN	-	-
From BOB GILT FUND	420,132	560,457
From BOB GILT P.F. PLAN	73,209	437,440
From BOB BALANCE FUND	86,105	108,013
From BOB GROWTH FUND	1,395,126	98,608
From BOB MIP Fund	11,993	203,911
From BOB NRI - STB Fund	910	25,572
From BOB NRI - LTB Fund	633	9,372
From BOB NRI - Flexi Asset Plan	391	19,977
From BOB CHILDREN FUND - GIFT PLAN	3,008	4,362
From BOB CHILDREN FUND - STUDY PLAN	1,354	1,947
From Baroda Global Fund	3,236,935	161,039
	12,215,772	8,110,122

SCHEDULE 'I'		
LOSS on sale / redemption / conversion of Investments:		
Loss on Sale of Units of Baroda Global Fund	97,818	-
	97,818	-

BOB ASSET MANAGEMENT COMPANY LIMITED



	For the Period 1.4.2006 to 31.3.2007 (RS.)	For the Period 1.4.2005 to 31.03.2006 (RS.)
SCHEDULE 'J'		
PROFIT on sale / redemption of Investments:		
Profit on Sale of Units of BOB MIP Fund Monthly Div Plan	431,084	-
Profit on Sale of Units of BOB MIP Fund Growth Plan	563,892	-
Profit on Sale of Units of BOB NRI STB	96,169	-
Profit on Sale of Units of BOB Gilt Fund	1,722,380	-
Profit on Sale of Units of BOB Gilt Fund PF Plan	1,305,600	-
Profit on Sale of Units of BOB Balance Fund	182,260	-
Profit on Sale of Units of BOB Liquid Fund	392,201	1,650,499
Profit on Sale of BOB Income Fund	972	-
Profit on Sale of Units of Baroda Global Fund	1,893,540	-
	6,588,098	1,650,499
SCHEDULE 'K'		
Other Income:		
Miscellaneous Income	467	143,715
	467	143,715
SCHEDULE 'L'		
Staff Expenses:		
Salaries, Wages and Allowances	4,294,467	4,843,637
ESIC Company contribution	18,938	20,669
Ex-gratia	-	-
Gratuity	47,193	45,832
Staff Welfare Expenses	139,989	227,213
	4,500,587	5,137,351
SCHEDULE 'M'		
Rent, Rates & Taxes:		
Rent for Office Premises	1,316,448	1,363,824
Profession Tax	2,500	2,500
Service Tax	-	12,540
Ed. Cess	-	1,394
VAT/Sales Tax/ WCT	-	4,433
Municipal tax and water charges	-	-
	1,318,948	1,384,691
SCHEDULE 'N'		
Other Operating Expenses:		
Printing & Stationery	292,561	556,344
Electricity Charges	479,755	530,882
Telephone Expenses	245,956	269,772
Motor Car Expenses	188,458	123,039
Conveyance & Travelling Expenses	140,357	404,193
Membership & Registration Fees	871,154	1,056,494
Director Sitting Fees	160,000	180,000
Newspaper & Periodical Expenses	8,679	14,120
Website Maintenance Expenses	84,571	75,000
Postage	60,258	108,340



	For the Period 1.4.2006 to 31.3.2007 (RS.)	For the Period 1.4.2005 to 31.03.2006 (RS.)
Repairs & Maintenance	361,167	589,584
Trail Fees	250,000	150,000
Miscellaneous Expenses	158,679	155,738
Premises Maintenance Charges	137,606	120,820
Training & Seminar Fees	4,650	-
Bank Charges	6,139	419,676
Interest on overdraft	2,019	-
Insurance Premium	23,438	41,371
Stamp Duty	-	-
Entertainment Expenses	-	-
Trail Fees	-	-
Brokerage	-	-
Registrar Charges	783,138	1,111,212
Filing Fees	109,500	25,399
Extra Plan Benefit	125,000	104,575
Custodian charges (CDSL)	20,000	-
	4,513,085	6,036,559

SCHEDULE 'O'**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st March 2007****1. SIGNIFICANT ACCOUNTING POLICIES:****1.1 ACCOUNTING CONVENTION**

The Company adopts the accrual concept in the preparation of accounts, except reimbursements to staff members, which are accounted on cash basis.

1.2 INCOME RECOGNITION

Management fees and income from investments are accounted for on accrual basis.

1.3 FIXED ASSETS

Fixed assets are valued at cost less accumulated depreciation.

1.4 DEPRECIATION

Depreciation on fixed assets is provided on written down value method at the rates prescribed under Schedule XIV to the Companies Act, 1956.

1.5 INVESTMENTS

Investments are stated at lesser of cost (weighted average) or market value to be in conformity with the practice followed by the sponsor Bank of Baroda.

1.6 RETIREMENT BENEFITS

The Company contributes to the recognised Provident Fund for its employees. Gratuity provision as specified in the Payment of Gratuity Act is being made.

1.7 DEFERRED REVENUE EXPENDITURE

Deferred Revenue Expenditure is being written off over a period of five/ten years.

- During the financial year 2002-2003, the Company had incurred Rs.14,03,836 towards initial issue expenses for launch of BOB Short Term Plan under BOB Income Fund Scheme of BOB Mutual Fund. The same has been treated as Deferred Revenue Expenditure to be written off over a period of five years commencing from the financial year 2002-2003.
- During the financial year 2003-2004, the Company has incurred Rs.9,12,938.50 towards initial issue expenses for launch of BOB Growth Fund and BOB Balance Fund schemes of BOB Mutual Fund. The same has been treated as Deferred Revenue Expenditure to be written off over a period of five years commencing from financial year 2003-2004.
- During the financial year 2003-2004, the Company has incurred Rs.1,00,000 (Rupees One Lakh), towards Stamp Duty paid on allotment of shares to Bank of Baroda, due to increase in paid up capital from Rs.10 crore to Rs. 20 crore. The same has been treated as Deferred Revenue Expenditure to be written off over a period of ten years commencing from the financial year 2003-2004.



2. REMUNERATION TO MANAGING DIRECTOR

	2006-07 (RS.)	2005-06 (RS.)	2004-05 (RS.)
Salary & Other allowances	3,76,984	7,21,941	3,59,553

3. The Company has entered into the following transactions with Bank of Baroda, the Holding Company

INCOME			
Interest	32,00,275	28,97,684	1,45,137
EXPENSES			
Bank Charges	6,139	14,512	1,718
Rent	13,16,448	13,63,824	1,29,024
Salary	17,68,416	16,70,687	13,15,490
ASSETS			
Bank Balance	8,88,730	26,96,111	19,14,713
Fixed Deposit Balance	—	2,78,21,152	50,44,596
LIABILITIES			
Share Capital	20,00,00,000	20,00,00,000	20,00,00,000

4. Sundry Creditors do not include any amount payable to Small Scale Industrial Undertakings.

5. The registered office of the BOB ASSET Management Company Ltd. is 105, Maker Chambers III, Nariman Point, Mumbai 400 021. The Company is making payments directly to the Maker Chambers III CHS Ltd. towards premises maintenance, municipal taxes and lease rent.

6. The Company has paid Bank of Baroda, Rs. 96,768/- towards rent and other maintenance charges for the period ended 31.12.2006 in respect of premises occupied by its branch in New Delhi. The Delhi office has been closed since 31.12.2006.

7. Earnings Per Share:

Earnings per share have been computed as under

	Current Year	Previous year
Profit After Taxation (Rs).	98,82,469	33,46,777
No. of shares outstanding	2,00,00,000	2,00,00,000
Earnings Per Share basic/diluted		
(Face Value of Rs.10per share)	Rs.0.49	Rs. 0.17

8. Recurring expenses of schemes of BOB Mutual Fund in excess of limit prescribed by the Securities and Exchange Board of India (Mutual Fund) Regulations, 1996, are accounted under the respective expense heads in the Profit & Loss Account.

9. In the opinion of the Management, the Current Assets, Loans & Advances, are approximately of the value stated, if realised in the ordinary course of the business. Provision for all expenses including depreciation is reasonable and is not in excess. No personal expenses have been charged to Profit & Loss account.

10. No provision has been made for retirement gratuity and other benefits for employees on deputation from Bank of Baroda, other than employees of BOB Asset Management Company Ltd.

11. The figures of the previous year have been regrouped/rearranged, wherever necessary to confirm the current year's presentation.

12. The Balance Sheet abstract and the Company's business profile as required by Part IV of Schedule VI to the Companies Act, 1956, is attached herewith.

13. The cash flow statement has been prepared by applying the indirect method as per Accounting Standard 3 issued by the Institute of Chartered Accountants of India

As per our Report attached

For BABU U. CHOKSHI & CO.
CHARTERED ACCOUNTANTS

(SANJAY B. CHOKSHI)
Partner
M. No. 48508

Place : Mumbai
Date :17th April 2007

For and on behalf of Board of Directors

Bhagirat B. Merchant

Sharadchandra D. Abhyankar

Anil D. Parulkar

S. Bhattacharya

Krishna Kumar Kushwaha
(Company Secretary)

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.****I. REGISTRATION DETAILS**

Registration No.	:	6 9 4 1 4
State Code	:	1 1
Balance Sheet Date	:	31.3.2007

II CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue	:	N I L
Rights Issue	:	N I L
Bonus Issue	:	N I L
Private Placement	:	N I L

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMT IN Rs.000s)

Total Liabilities	:	28,68,50
Total Assets	:	28,68,50

SOURCES OF FUNDS (Amount in Rs. Thousand)

Paid up Capital	:	20,00,00
Reserves & Surplus	:	8,68,50
Secured Loans	:	N I L
Unsecured Loans	:	N I L

APPLICATION OF FUNDS (Amount in Rs. Thousand)

Net Fixed Assets	:	7,00
Investment	:	21,83,09
Net Current Assets	:	6,68,95
Miscellaneous Expenditure	:	2,63
Deferred Tax Asset	:	6,83
Accumulated Losses	:	N I L

IV PERFORMANCE OF THE COMPANY (Amount in Rs. Thousand)

Turnover	:	2,74,58
Total Expenditure	:	1,28,37
Profit Before Tax	:	1,46,22
Profit After Tax	:	98,82
Earnings Per share (In Rs.)	:	0.49
Dividend %	:	N I L

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/ SERVICES OF CO.

Item Code No. (ITC Code)	:	N I L
Product Description	:	ASSET MANAGEMENT
Item Code No. (ITC Code)	:	N I L
Product Description	:	INVESTMENT ADVISORY SERVICES



BOB Mutual Fund
(Sponsor : Bank of Baroda)

Bank of Baroda Collection Centre

MUMBAI BRANCHES :

Nariman Point, Fort, Ballard Pier, Malabar Hills, Opera House, Dadar (West),
Bandra (West), Sakinaka (Andheri), Borivali (West), Mulund (West),
Ghatkopar (West), Zaveri Bazar.

DELHI BRANCHES :

NRI Branch, Shakarpur, Morya Enclaves, Paharganj,
Shakti Nagar, RML Hospital, Nehru Place.

OTHER CENTRES :

Ashram Road - **Ahmedabad**, Alkapuri - **Baroda**, K. G. Road - **Bangalore**,
Laxmi Road - **Pune**, Mount Road - **Chennai**, M. I. Road - **Jaipur**,
India Exchange - **Kolkatta**, Hazaratganj - **Lucknow**.

Investor Service Centres of Karvy Computershare Pvt. Ltd.

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