

BARODA PIONEER ASSET MANAGEMENT COMPANY LIMITED

21ST ANNUAL REPORT (2012-2013)



BARODA PIONEER ASSET MANAGEMENT COMPANY LIMITED

501, Titanium, 5th Floor, Western Express Highway, Goregaon (E)

Mumbai -400063

21st ANNUAL REPORT – 2012-2013

BOARD OF DIRECTORS

Mr. Jack Lin	Chairman
Mr. Sandro Pierri	Associate Director
Mr. Jaideep Bhattacharya	Managing Director (Associate)
Mr. S. K. Das	Associate Director
Mr. Rohit Arora	Independent Director
Mr P. K. Gupta	Independent Director
Mr. Shiv Dayal	Independent Director
Mr. M P Mehrotra	Independent Director

MANAGING DIRECTOR

Mr. Jaideep Bhattacharya (with effect from July 17, 2012)

COMPANY SECRETARY

Ms. Rashmi Pandit (till April 30, 2013)
Ms. Farhana Mansoor (with effect from July 15, 2013)

AUDITORS

M/S BSR & Co.

REGISTERED OFFICE

501, Titanium, 5th Floor,
Western Express Highway,
Goregaon (E), Mumbai - 400063

REGISTRAR AND TRANSFER AGENT

SHAREX DYNAMIC (INDIA) PVT. LTD.
Unit No. 1, Luthra Industrial Premises, Safed Pool
Andheri Kurla Road, Andheri East, Mumbai – 400 072

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty First Annual Report of the Company together with the Audited Balance Sheet as on 31.03.2013 and the Statement of Profit & Loss Account for the year ended at that date.

FINANCIAL PERFORMANCE OF THE COMPANY FOR YEAR ENDED MARCH 31, 2013

Particulars	As at 31.3.2013	As at 31.3.2012
	(Rs in lakh)	(Rs in lakh)
Total Income	1,720.60	1459.74
Profit / (loss) before Depreciation	-1,779.33	-1178.82
Less Depreciation	86.47	126.14
Profit & loss before Tax	-1,865.80	-1304.96
Less Provision for Tax	(6.18)	(7.4)
Profit & loss after Tax	-1,871.98	-1312.36
Less Prior Period Adjustment	0	0
Profit after Tax & Adjustment	-1,871.98	-1312.36
Profit after tax and adjustments carried to Balance sheet	-1,871.98	-1312.36
Reserves & Surplus (before adjusting accumulated losses)	4,009.57	4009.57

SHARE CAPITAL

The paid-up equity share capital of your Company is Rs. 2,897.10 lakh, and the net worth of your Company was Rs. 1,749.45 lakh as on March 31, 2013. Both the shareholder viz. Pioneer Global Asset Management SpA and Bank of Baroda, have agreed to infuse additional capital to the tune of Rs. 59 Crores (approx.).

PROFITABILITY

The Net Loss after Tax for the financial year 2012-13 was Rs. 1,871.98 lakhs, as against a Net loss of Rs. 1,312.36 lakhs in 2011-12.

DIVIDEND

The Directors do not recommend any dividend for the year 2012-13, on account of the net loss suffered by your Company during the financial year 2012-13.

MUTUAL FUND INDUSTRY

Amidst volatility and uncertainty in the markets, the mutual fund industry saw its average assets under management (AAUM) grow by 23% for the year ended March 2013. The industry has witnessed a growth of around of 18% CAGR (compound annual growth rate) from 2009 -2013. However, the trend from 2010 depicts that net sales for the mutual fund industry has dipped, picking up slightly in 2013, to grow by 7%.

The industry ended 2012-13 at Rs. 8,164,017 (as on Mar 2013) of AAUM as compared to Rs 6,647,916 Cr in the year 2011-12 (as on Mar 31, 2012).

Although the industry has seen an overall growth in the AAUM, there has been a significant shift in the asset mix of the industry. Factors like declining interest rates, tight liquidity conditions, high commodity prices, falling rupee and weak global cues impacted both the fixed income and equity markets. AAUM under the equity segment has declined 5%, whereas the debt/income segment has grown significantly at 36%. Liquid and money market and gold exchange traded funds (ETFs) also grew by 16% and 18% respectively.

The change in investor preference shows that investors are still wary of investing in the market looking for relatively safer investments by directing their investments into the debt bucket.

As we look into the future, factors like strong macro-economic conditions, high savings and investment rate augur well for further development of the category in India. We expect the focus of the industry in 2013-14 to be on increasing penetration, enhancing distribution coverage, delivering better risk-adjusted returns, further upgrading customer service and offering technology based transaction capabilities.

STATE OF COMPANY AFFAIRS

Your Company has focused its energies on building a sustainable business with a clearly defined long-term growth and profit strategy and has aggressively focused on Systematic Investment Plans to build up equity assets in a gradual and sustainable manner. Its products cater to a diverse range of risk, return and liquidity preferences of investors.

In 2012-13, your Company took some important steps in improving its reach across the country and in the Bank of Baroda ("Bank") network. Your Company operates out of 129 locations in India and has 203 official points for acceptance of transactions. Your Company did not launch any other product in 2012-13 except for Fixed Maturity Plans.

In the coming years, your Company will continue to focus on meeting investor needs through new products and services that are comparable with the best in the category.

CHANGE IN DIRECTORS

At the last Annual General Meeting ("AGM") of your Company held on September 24, 2012, Prof. B. B. Bhattacharya retired by rotation and chose not to be re-appointed on the Board of Directors. Your Board decided to keep the new appointment in place of Mr. Bhattacharya in abeyance. Subsequently, there have been a few more changes in the Board of Directors, as under:

- With effect from July 17, 2012, Mr. Jaideep Bhattacharya was appointed as the Managing Director of the Company.
- With effect from November 22, 2012, Mr. Sandro Pierri [CEO of Pioneer Global Asset Management S.p.A (PGAM)] was appointed as an Additional Director of the Company in place of Mr. Angus Stening.
- With effect from November 22, 2012, Mr. Jack Lin, Associate Director, was appointed as the Chairman of the Company, in place of Mr. Angus Stening and consequently, as a PGAM nominee member on all the Board Committees.
- Effective December 1, 2012, Mr. M. D. Mallya ceased to be a Director of the Company representing Bank of Baroda, on account of his superannuation.

Your Directors place on record their appreciation for the valuable contribution made by Prof. B B Bhattacharya, Mr. Angus Stening and Mr. M. D. Mallya during their tenure.

PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956 ("Act") read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report. The Report and Accounts are being sent to the shareholders of the Company, excluding the statement on particulars of employees under Section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the said statement may write to the Secretarial Department at the Registered Office of your Company.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE ACT

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

1. In the preparation of the annual accounts for the year ended 31st March 2013, applicable accounting standards have been followed.
2. The accounting policies have been consistently followed so as to give a true and fair view of the state of affairs of your Company at the end of the financial year ended 31st March 2013.
3. Proper and sufficient care has been taken by your Directors for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts of your Company have been prepared on an on-going basis.

AUDITORS

Your Company's present Auditors, M/s BSR & Co., Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting and have not sought re-appointment. We propose to appoint Deloitte Haskins & Sells as the Statutory Auditors of the Company to hold office from the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting

INFORMATION UNDER SECTION 217(1) (E) OF THE ACT

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

There are no specific comments in terms of the provisions of Section 217 (1) (e) of the Act that are called for on conservation of energy and technology absorption. Your Company has, however, used information technology relevant to its business in keeping with the size of its operations.

Expenditure in foreign currency aggregated to Rs. 53.78 lakh (previous year: Rs. 85.22 lakh).

REPORT ON CORPORATE GOVERNANCE

Board of Directors

Your Company has, at present, the following eight Directors, out of whom four Directors are Non-Executive Independent Directors.

Mr. Jack Lin	Chairman
Mr. Sandro Pierri	Associate Director
Mr. Jaideep Bhattacharya	Managing Director (Associate)
Mr. S. K. Das	Associate Director
Mr. Rohit Arora	Independent Director
Mr. Shiv Dayal	Independent Director
Mr. M. P. Mehrotra	Independent Director
Mr. P. K. Gupta	Independent Director

Board Meetings

The Board meets at least four times a year. During the financial year 2012-13, 4 meetings of the Board of Directors were held on May 10, 2012, July 17, 2012, November 22, 2012 and March 18, 2013.

Board Committees

1. 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 Mr. Rohit Arora, Mr. Jack Lin and Mr. S. K. Das. Mr. Jack Lin was appointed in place of Mr. Angus Stening as a PGAM nominee member. During the financial year 2012-13, 4 meetings of the Audit Committee were held on May 10, 2012, July 17, 2012, November 22, 2012 and March 18, 2013.

2. Investment Committee

The Investment Committee of the Board of Directors has been constituted in line with the Shareholders Agreement and the SEBI (Mutual Funds) Regulations, 1996. The Investment Committee currently comprises Mr. Jack Lin, Mr. S. K. Das and Mr. Jaideep Bhattacharya. Mr. Jack Lin was appointed in place of Mr. Angus Stening as a PGAM nominee member and Mr. Jaideep Bhattacharya was appointed on July 17, 2012 as a member in his capacity as Managing Director of the Company in place of Mr. Rajan Krishnan. During the financial year 2012-13, 3 meetings of the Investment Committee were held on July 17, 2012, November 22, 2012 and March 18, 2013.

3. Risk & Compliance Committee

The Risk & Compliance Committee of the Board of Directors has been constituted in line with the Shareholders Agreement. The Risk & Compliance Committee currently comprises Mr. Jack Lin, Mr. S. K. Das, Mr. Jaideep Bhattacharya and Compliance Officer of the Company. Mr. Jack Lin was appointed in place of Mr. Angus Stening as a PGAM nominee member and Mr. Jaideep Bhattacharya was appointed on July 17, 2012 as a member in his capacity as Managing Director of the Company in place of Mr. Rajan Krishnan. During the financial year 2012-13, 3 meetings of the Risk & Compliance Committee were held on July 17, 2012, November 22, 2012 and March 18, 2013.

4. Remuneration Committee

The Remuneration Committee of the Board of Directors has been constituted in line with Schedule XIII to the Companies Act, 1956. The Remuneration Committee comprises Mr. Jack Lin, Mr. S. K. Das, Mr. Rohit Arora, Mr. Shiv Dayal and Mr. M. P. Mehrotra. Mr. Jack Lin was appointed in place of Mr. Angus Stening as a PGAM nominee member. During the financial year 2012-13, 1 meeting of the Remuneration Committee was held on July 17, 2012.

5. Interim Steering Committee

Consequent to the resignation of Mr. Rajan Krishnan, the erstwhile Chief Executive Officer & Managing Director of the Company, an Interim Steering Committee was formed on April 04, 2012 to oversee the affairs of the Company till a new CEO/Managing Director was appointed in place of Mr. Rajan Krishnan. This Committee comprised of Mr. Angus Stening, Mr. S. K. Das and Mr. Rajeev Thakkar and its only meeting was held on May 31, 2012. Thereafter Mr. Jaideep Bhattacharya was appointed as the Managing Director on July 17, 2012 and the Committee was dissolved.

Annual General Meetings

The details of AGMs held during the last three years are given below:

AGM	DATE	VENUE
18 th AGM	08.09.2010	501, Titanium, 5th Floor, Western Express Highway, Goregaon (E), Mumbai – 400063
19 th AGM	27.09.2011	Bank of Baroda, Baroda Sun Tower, G- Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051
20 th AGM	24.09.2012	501, Titanium, 5th Floor, Western Express Highway, Goregaon (E), Mumbai – 400063

ACKNOWLEDGMENT

The Directors place on record their appreciation for the assistance and guidance rendered by the Securities and Exchange Board of India, Association of Mutual Funds in India, Reserve Bank of India, Pioneer Global Asset Management SpA, Bank of Baroda and Directors of Baroda Pioneer Trustee Company Private Ltd, Trustee to Baroda Pioneer Mutual Fund. The Directors also thank the investors for having reposed their confidence in Baroda Pioneer Mutual Fund.

The Directors wish to take this opportunity to thank:

- M/s Karvy Computershare Private Limited, for the services rendered by them as the Registrar and Share Transfer Agents of Baroda Pioneer Mutual Fund, and for providing collection centers for various schemes of Baroda Pioneer Mutual Fund.
- M/s SHAREX Dynamic (India) Pvt. Ltd., the Registrar and Share Transfer Agents of the Company, for the services rendered by them.
- Bank of Baroda, for helping in the sales and marketing of the schemes of Baroda Pioneer Mutual Fund and collection of investments all over the country.
- Citibank N.A, custodians and fund accountants of the schemes of Baroda Pioneer Mutual Fund, for the services rendered by them.

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

For and on behalf of the Board of Directors



Chairman

Place : Mumbai
Date : July 24, 2013

Baroda Pioneer Asset Management Company Limited

Financial statements
together with the Auditors' Report
for the year ended 31 March 2013

Baroda Pioneer Asset Management Company Limited

Financial statements together with Auditors' Report

for the year ended 31 March 2013

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Independent Auditors' Report**To the Members of
Baroda Pioneer Asset Management Company Limited****Report on the financial statements**

We have audited the accompanying financial statements of Baroda Pioneer Asset Management Company Limited ('the Company'), which comprise the balance sheet as at 31 March 2013, and the statement of profit and loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditors' Report (Continued)

Baroda Pioneer Asset Management Company Limited

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- i. in the case of balance sheet, of the state of affairs of the Company as at 31 March 2013; and
- ii. in the case of the statement of profit and loss, of the loss for the year ended on that date;

Emphasis of Matter

We draw attention to note 2.1 to the financial statements. For the year ended 31 March 2013 the Company has accumulated losses of Rs. 515,721,307 which is more than fifty percent of the networth. The management believes that the Ministry of Finance approval for capital infusion by one of its shareholder will be received shortly, based on which the Company will be able to operate as a going concern and meet its liabilities as they fall due for payment based on its future business plans and its holding company support. Accordingly, the financial statements have been prepared on a going concern basis. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by section 227(3) of the Act, we report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) 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;
- c) the balance sheet and statement of profit and loss dealt with by this report are in agreement with the books of account;
- d) in our opinion, the balance sheet and statement of profit and loss dealt with by this report comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act;
- e) on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For B S R & Co.
Chartered Accountants
Firm's Registration No: 101248W

Manoj Kumar Vijai
Partner

Membership No: 046882

Mumbai
25 April 2013

Baroda Pioneer Asset Management Company Limited

Annexure to the Independent Auditors' Report – 31 March 2013

(Referred to in our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- ii. The Company is a service company, primarily rendering asset management services to the schemes of Baroda Pioneer Mutual Fund. Accordingly it does not hold any physical inventories. Thus, paragraph 4(ii) of the Order is not applicable.
- iii. According to the information and explanations given to us, we are of the opinion that there are no companies, firms or other parties covered in the register required under Section 301 of the Companies Act, 1956. Accordingly, paragraph 4(iii) of the Order is not applicable.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regards to purchase of fixed assets and with regards to the sale of services. The activities of the Company do not involve the purchase of inventory and sale of goods. We have not observed any major weaknesses in the internal control system during the course of the audit.
- v. In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements, the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- vi. The Company has not accepted any deposits from the public.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the services rendered by the Company.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Income Tax, Service Tax, Provident Fund, Wealth Tax and other material statutory dues during the year with the appropriate authorities. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund, Sales Tax, Employees' State Insurance, Excise Duty and Customs Duty.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, wealth tax, service tax and other material statutory dues were in arrears as at 31 March 2013 for a period of more than six months from the date they became payable.
(c) According to the information and explanations given to us, there are no dues of income tax, provident fund, wealth tax, service tax and material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

Baroda Pioneer Asset Management Company Limited

Annexure to the Independent Auditors' Report – 31 March 2013 (Continued)

- x. The accumulated losses of the Company at the end of financial year are more than 50% of its networth. The Company has incurred cash losses in the current financial year and in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company did not have any dues to any financial institutions or banks or debenture holders during the year.
- xii. According to the information and explanations given 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 and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society. Accordingly, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- xiv. Based on information and explanations provided by the management, in respect of dealing and trading in shares and securities, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares and securities have been held by the Company in its own name. As explained to us, the Company is not involved in dealing or trading of debentures and other investments.
- xv. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
- xvi. According to the information and explanations given to us, the Company has not availed of term loans. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable to the Company.
- xvii. According to the information and explanations given to us and based on overall examination of the balance sheet of the Company, the Company has not used any funds raised on short-term basis for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to companies /firms /parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company did not have any outstanding debentures during the year.
- xx. The Company has not raised any money by public issues during the year.
- xxi. According to the information and explanations given to us, no significant frauds on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co.
Chartered Accountants
Firm's Registration No: 101248W


Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
25 April 2013

Baroda Pioneer Asset Management Company Limited

Balance sheet

as at 31 March 2013

(Currency: Indian rupees)

	Notes	31 March 2013	31 March 2012
I. EQUITY AND LIABILITIES			
Shareholders Funds			
(a) Share Capital	3	289,710,000	289,710,000
(b) Reserves and Surplus	4	(114,764,337)	72,434,128
Non-Current Liabilities			
(a) Long term provisions	5	11,424,262	8,283,575
Current Liabilities			
(a) Trade payables	6	44,644,923	23,520,847
(b) Other current liabilities	7	19,958,782	14,818,412
(c) Short-term provisions	8	1,600,967	854,609
Total		252,574,597	409,621,571
II. Assets			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	15,713,351	18,869,165
(ii) Intangible assets		61,387	229,463
(iii) Capital work-in-progress		-	448,978
(b) Long term loans and advances	10	53,043,553	64,624,810
Current assets			
(a) Current investments	11	12,958,645	25,986,402
(b) Trade receivables	12	45,615,863	13,610,833
(c) Cash and bank balances	13	100,505,570	251,405,532
(d) Short-term loans and advances	14	24,676,228	34,446,388
Total		252,574,597	409,621,571
Significant accounting policies	2		
Notes to the accounts	19		

The schedules referred to above form an integral part of this balance sheet

As per our attached report of even date

For **BSR & Co.**
Chartered Accountants
Firm's Registration No. 101248W



Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
Date 25 April 2013

For and on behalf of the Board of Directors
Baroda Pioneer Asset Management Company Limited


Jaideep Bhattacharya
Managing Director


S.K. Das
Director


Jack Lin
Director


Rashmi Pandit
Company Secretary

Mumbai
Date 25 April 2013



Baroda Pioneer Asset Management Company Limited

Statement of profit and loss

for the year ended 31 March 2013

(Currency: Indian rupees)

	Notes	31 March 2013	31 March 2012
Revenue from operations	15	150,794,652	115,237,120
Other income	16	21,264,898	30,736,979
Total Revenue		172,059,550	145,974,099
Expenditure			
Employee benefit expenses	17	124,752,810	95,929,635
Depreciation and amortisation expense	9	8,647,218	12,613,745
Other expense	18	225,239,502	167,926,719
Total Expenses		358,639,529	276,470,099
Loss before prior period items and tax		(186,579,979)	(130,496,000)
Prior period items			
Loss before tax		(186,579,979)	(130,496,000)
Provision for taxation			
- Income tax		-	-
- Earlier year's tax adjustment		(618,486)	(740,423)
- Deferred tax charge / (credit)		-	-
Loss for the period		(187,198,465)	(131,236,423)
Earning per equity share			
(1) Basic		(6.46)	(4.53)
(2) Diluted			
Significant accounting policies	2		
Notes to the accounts	19		

The schedules referred to above form an integral part of this statement of profit and loss
As per our attached report of even date.


For BSR & Co.
Chartered Accountants
Firm's Registration No. 101248W



Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
Date : 25 April 2013

For and on behalf of the Board of Directors
Baroda Pioneer Asset Management Company Limited



Jaideep Bhattacharya
Managing Director



S.K. Das
Director



Jack Lin
Director



Rashmi Pandit
Company Secretary

Mumbai
Date : 25 April 2013




Baroda Pioneer Asset Management Company Limited

Notes to the financial statements

for the year ended 31 March 2013

(Currency: Indian rupees)

1 Background

Baroda Pioneer Asset Management Company Limited (the 'Company') was incorporated on 5 November 1992 as a public limited company.

On 27 June 2008, Pioneer Global Asset Management S.p.A (PGAM), a company incorporated in Italy, acquired 51% stake in the Company. Post the acquisition, the Company became a subsidiary of PGAM.

The principle activity of the Company is to act as an investment advisor to Baroda Pioneer Mutual Fund ("the Fund"). The Company manages the investment portfolio and provides various administrative services to the Fund. During the Financial Year 2011-12, pursuant to the No Objection Certificate dated 29 June 2011 received from the regulator, Securities Exchange Board of India (SEBI), the Company also commenced the activity of rendering non-binding investment advisory services to Pioneer Investment Management Limited (a wholly owned subsidiary of Pioneer Global Asset Management SpA) as per the agreement dated 1 July 2011, signed between the two parties.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

The accompanying financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 ('the Act') and the accounting principles generally accepted in India and comply with the accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, to the extent applicable.

The Company is a Small and Medium Sized Company ('SMC') as defined in the General instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with Accounting Standards as applicable to a SMC.

Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2013

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.1 Basis of preparation of financial statements (Continued)

Going concern

As at 31 March 2013, the Company has an accumulated loss of Rs. 515,721,307 which has resulted in an erosion of the net worth of the Company to a certain extent. However, based on the roll out of the business plan and the financial support offered by the shareholders of the company, the Company will be in a position to settle its obligations as they fall due. However, the financial support being offered is subject to the approval from Ministry of Finance. Management of the company expects to receive approvals shortly. Accordingly, the financial statements have been prepared assuming the Company will continue as a going concern. The Company's net worth as on 31 March 2013 of Rs. 174,945,663 is largely represented by liquid assets (i.e. current investments, trade receivables and cash and bank balances) amounting to Rs. 159,080,078 (Previous year: Rs. 291,002,767).

2.2 Fixed assets and depreciation

- Fixed assets are carried at cost of acquisition less accumulated depreciation and impairment. Cost includes freight, duties, taxes and incidental expenses related to the acquisition and installation of the assets.
- Depreciation is provided on the written down value method other than computers including computer software and leasehold improvements. The Computers are depreciated on straight line basis over the useful life and leasehold improvements are depreciated over the period of lease or useful life, whichever is shorter.
- The rates of depreciation prescribed in Schedule XIV to the Act are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the managements estimate of the useful life/remaining useful life. Pursuant to this policy, depreciation on fixed assets has been provided for at the following rates:

Class of asset	Rate of depreciation
Furniture and fixtures	18.10%
Motor vehicles	25.89%
Office equipment	18.10%
Computers including computer software	33.33%
Leasehold improvements	Over the period of lease or useful life, whichever is shorter

- The Company provides pro-rata depreciation from the date the asset is put to use and for any asset sold, until the last date of sale.
- Fixed assets individually costing Rs.5,000 or less are fully depreciated in the year of purchase / acquisition.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2013

(Currency: Indian rupees)

2 Significant accounting policies (*Continued*)

2.2 Fixed assets and depreciation (*Continued*)

f) *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.

2.3 Revenue Recognition

Investment management fees

Investment management fees are recognised net-off service tax on an accrual basis as a percentage of the average daily net assets of the schemes of Baroda Pioneer Mutual Fund (excluding on investments made by the Company in the schemes and intra-scheme investments), such that it does not exceed the rates prescribed by the Securities and Exchange Board of India ('SEBI') (Mutual Fund) Regulations, 1996 and any further amendments (the 'Regulations') or offer document of the respective schemes.

Investment advisory & research fees

Advisory fees are recognised on an accrual basis in accordance with the respective terms of contract with counter parties.

Other income

Interest income is accounted for on period proportion basis.

Dividend income is recognized when the right to receive dividend is established.

Purchase and sale of investments is recorded on the trade date. The profit / loss on sale of investments is recognised in the profit and loss account on the trade date. Profit or loss on sale of investments is determined using simple average cost method.

2.4 Scheme related expenses

Annual recurring expenses relating to schemes of the Fund which are in excess of internal expense limits are borne by the Company. The internal expense limits are within the overall expense limits prescribed by the Regulations or offer document of the respective schemes.

Expenses incurred directly by the Company for schemes are recognised in statement of Profit and Loss under respective heads.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2013

(Currency: Indian rupees)

2 Significant accounting policies (*Continued*)

2.5 Investments

Investments are classified as long term or current based on intention of the management at the time of purchase.

Long term investments are carried at carrying cost less diminution in value other than temporary in nature, determined separately for each individual investment.

Current investments are carried at the lower of cost or market value. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the profit and loss account. The comparison of cost and market value is done separately for each individual investment.

2.6 Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating leases. Operating lease rentals are recognised as an expense in the profit and loss account on a straight-line basis over the lease period.

2.7 Earning per share

The basic earning per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

2.8 Retirement benefits

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present value of estimated future cash flows. The discount rate used for determining the present value is based on the market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Actuarial gains and losses are recognized immediately in the profit and loss account.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2013

(Currency: Indian rupees)

2 Significant accounting policies (*Continued*)

2.8 Retirement benefits (*Continued*)

Provident fund

The Company contributes to a recognized provident fund which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognized in the profit and loss account.

Leave encashment

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.

2.9 Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current taxes

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income-tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred taxes

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future: however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realised.

2.10 Transactions in foreign currency

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions. Exchange difference, if any, arising out of foreign exchange transactions settled during the year are recognized as income or expense in the profit and loss account.

Monetary assets and liabilities, denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognised in the profit and loss account.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2013

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.11 Provisions and contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

as at 31 March 2013

(Currency: Indian rupees)

31 March 2013

31 March 2012

3 Share capital

Authorised

35,000,000 (Previous year : 35,000,000) equity shares of Rs. 10 each

350,000,000

350,000,000

350,000,000

350,000,000

Issued, subscribed and paid-up

28,971,000 (Previous year : 28,971,000) equity shares of Rs. 10 each fully paid up

289,710,000

289,710,000

289,710,000

289,710,000

i. Shares held by holding company

14,775,210 (Previous year : 14,775,210) equity shares of Rs. 10 each are held by Pioneer Global Asset Management S.p.A., the holding company (51%)

147,752,100

147,752,100

ii. Shareholders holding more than 5% of Equity Shares:

14,775,210 (Previous year : 14,775,210) equity shares of Rs. 10 each are held by Pioneer Global Asset Management S.p.A., (51%)

147,752,100

147,752,100

14,195,790 (Previous year : 14,195,790) equity shares of Rs. 10 each are held by Bank of Baroda (49%)

141,957,900

141,957,900

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Reserves and surplus

Securities premium account

400,956,970

400,956,970

Deficit in the statement of Profit and Loss

Balance at the beginning of the year

(328,522,842)

(197,286,419)

Additions during the year

(187,198,465)

(131,236,423)

Balance at the end of the year

(515,721,307)

(328,522,842)

(114,764,337)

72,434,128

5 Long term provisions

Provision for Gratuity

5,322,308

3,653,693

Provision for Leave encashment

3,638,251

2,685,362

Provision for Bonus

2,462,598

1,943,415

Provision for Tax [net of advance tax Rs. 63,800 (P.Y. Rs 63,800)]

1,105

1,105

11,424,262

8,283,575



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

as at 31 March 2013

(Currency: Indian rupees)

6 Trade payables

Accounts payable
Accrued expenses
Other payables

31 March 2013

31 March 2012

-
44,473,341
171,582

486,981
22,481,947
551,919

44,644,923

23,520,847

7 Other current liabilities

Statutory dues
Bonus payables

5,718,623
14,240,159

2,412,912
12,405,500

19,958,782

14,818,412

8 Short-term provisions

Provision for Gratuity
Provision for Leave encashment

614,553
986,414

102,042
752,567

1,600,967

854,609



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued) as at 31 March 2013

(Currency: Indian rupees)

9 Fixed assets

Description	Gross block			Depreciation		Net block	
	As at 1 April 2012	Additions	Deductions	As at 31 March 2013	For the year	As at 31 March 2013	As at 31 March 2012
Tangible							
Computers	22,848,843	4,542,739	66,700	27,324,882	3,463,070	5,643,187	4,573,446
Furniture and fixtures	4,479,762	269,665	-	4,749,427	485,613	2,148,543	2,364,491
Office equipment	12,979,741	520,853	-	13,500,594	1,436,247	6,761,289	7,676,683
Leaseholds improvements	14,040,824	-	-	14,040,824	3,094,212	1,160,332	4,254,544
Total Tangible assets (A)	54,349,171	5,333,257	66,700	59,615,728	8,479,142	43,902,377	18,869,165
Intangible							
Software	3,551,262	-	-	3,551,262	168,076	61,387	229,463
Total Intangible assets (B)	3,551,262	-	-	3,551,262	168,076	61,387	229,463
Total (A+B)	57,900,433	5,333,257	66,700	63,166,990	8,647,218	47,992,252	19,098,628
Previous year	54,996,255	3,101,615	197,437	57,900,433	12,613,745	38,801,805	19,098,628



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

as at 31 March 2013

(Currency: Indian rupees)

	31 March 2013	31 March 2012
10 Long term loans and advances		
Deposits	24,871,750	24991750
Capital advances	684,245	785421
Advance tax [net of provisions Rs. 2,392,800 (P.Y Rs. 2,392,800)]	27,487,558	38847639
	<u>53,043,553</u>	<u>64624810</u>

11 Current investments

Current investments (valued at cost or market value whichever is lower)

Quoted

Equity Shares

Nil (Previous year: 613) shares of Cinemax (India) Limited of Rs. 10 each

-

20,842

Unquoted

Mutual Fund units

Nil (Previous year: 22,010.747) units of Baroda Pioneer Liquid Fund Institutional (Growth) of Rs. 1,000 each

-

25,965,560

9807.099 (Previous year: Nil) units of Baroda Pioneer Liquid Fund Institutional (Growth) -Plan B of Rs. 1,000 each

12,958,645

-

12,958,645

25,986,402

The aggregate book value and market value of quoted investments and book value of unquoted investments is as follows:

Quoted investments

- Aggregate book value

-

20,842

- Aggregate market value

-

20,842

Unquoted investments

- Aggregate book value

12,958,645

25,965,560

- Aggregate market value

13,185,739

27,044,061



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

as at 31 March 2013

(Currency: Indian rupees)

	31 March 2013	31 March 2012
12 Trade receivables		
(Unsecured, considered good, less than six months)		
Management fees and other receivables	40,386,817	7,506,291
Advisory and research fees receivable	5,229,046	6,104,542
	<u>45,615,863</u>	<u>13,610,833</u>
13 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	28,730	215
Balance with banks	476,840	1,405,317
Cash and cash equivalent	505,570	1,405,532
Other bank balance		
Deposits	100,000,000	250,000,000
	<u>100,505,570</u>	<u>251,405,532</u>
14 Short-term loans and advances		
Advances recoverable in cash or in kind or for value to be received	15,826,916	15,545,859
Interest accrued but not due	5,941,820	15,346,117
Prepaid expenses	2,907,492	3,554,412
	<u>24,676,228</u>	<u>34,446,388</u>



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2013

(Currency: Indian rupees)

15 Revenue from operations

Investment management fee
Investment advisory and research fee

31 March 2013

31 March 2012

129,541,101

96,279,733

21,253,551

18,957,387

150,794,652

115,237,120

16 Other income

Interest income
Gain on sale of investment
Other non operating income

12,502,358

27,450,896

6,804,486

3,234,747

1,958,054

51,336

21,264,898

30,736,979

17 Employee benefit expenses

Salaries, bonus and allowances
Contribution to provident fund
Staff welfare

112,040,604

86,067,934

6,390,074

5,122,959

6,322,132

4,738,742

124,752,810

95,929,635

18 Other expenses

Rent
Legal and professional fees
Outsourced scheme related expenses
Travelling and conveyance
Printing and stationery
Salaries temporary staff
Repairs and maintenance - others
Communication
Electricity charges
Advertisement and publicity
Information technology
Membership and registration fees
Director sitting fees
Marketing expenses
Brokerage expenses
Insurance expenses
Fund accounting expenses
Scheme related expenses
Postage, Freight, Couriers
SEBI fees and other filing expenses
Recruitment and consultancy charges
Payment to the auditors
As auditors
- Statutory audit fees
- Tax audit fees
- Reimbursement of expenses
Miscellaneous expenses

26,931,360

25,129,351

5,719,409

3,789,035

19,896,148

40,590

12,050,668

10,112,459

4,624,603

2,200,015

38,312,589

26,992,451

2,263,843

2,906,704

6,997,036

6,084,583

2,862,374

2,609,159

4,559,141

1,119,966

14,375,053

13,459,667

1,980,215

2,058,207

260,000

260,000

22,042,143

12,512,493

46,601,619

40,459,703

894,488

840,225

6,055,427

6,207,541

1,191,290

2,835,335

2,410,789

2,777,795

1,869,711

1,621,847

690,508

327,807

800,000

750,000

200,000

200,000

23,750

21,093

1,627,338

2,610,693

225,239,502

167,926,719



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2013

(Currency: Indian rupees)

19 Notes to accounts

19.1 Related party disclosures

(A) Names of related parties by whom control is exercised

Name of the related party	Relationship
Pioneer Global Asset Management Limited S.p.A (PGAM)	Holding company
UniCredit S.p.A	Ultimate holding company of PGAM

(B) Parties under common control

Fellow subsidiaries / associate companies with whom transactions have taken place during the year

Name of the related party	Relationship
Unicredit Business Integrated Solutions Austria GmbH	Fellow subsidiary (Subsidiary of Unicredit)
Pioneer Investment Management Limited	Fellow subsidiary

(C) Parties with significant influence

Name of the related party	Relationship
Bank of Baroda	49% shareholder in the Company

(D) Key management personnel

Mr. Rajan Krishnan (1 April 2012 to 4 April 2012)

Mr. Rajeev Thakkar (5 April 2012 to 16 July 2012)

Mr. Jaideep Bhattacharya – Managing Director (from 17 July 2012)

(E) Transactions with related parties

Particulars	2013	2012
1. PGAM		
- Professional fees (allocated support charge)	229,028	731,018
2. Pioneer Investment Management Limited		
- Investment advisory & research income	21,253,551	18,957,387
3. Unicredit Business Integrated Solutions Austria GmbH		
- Lease Line Charge	3,827,642	4,246,865
4. Key management personnel		
Rajan Krishnan		
- Salary, bonus and allowances	6,550,463	10,545,408
- Perquisites	1,718	154,193
Rajeev Thakkar		
- Salary, bonus and allowances	1,953,835	-
- Perquisites	53,560	-
Jaideep Bhattacharya		
- Salary, bonus and allowances	10,974,029	-
- Perquisites	259,641	-



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2013

(Currency: Indian rupees)

19 Notes to accounts (Continued)

19.1 Related party disclosures (Continued)

(F) Balances with related parties

Particulars	2013	2012
1. PGAM		
- Professional expenses Other payable	171,582	551,919
2. Pioneer Investment Management Account	5,229,046	6,104,542
Limited		
-Investment advisory & research Receivable		
income		
3. Unicredit Business Integrated Payable	1,561,353	1,453,676
Solutions Austria GmbH		

Note: The above excludes transactions in the ordinary course of business with Bank of Baroda on account of fixed deposit and current account.

19.2 Deferred taxation

Particulars	2013	2012
Deferred tax assets		
Provision for gratuity	2,017,939	1,218,548
Provision for leave encashment	1,571,924	1,115,436
Diminution in value of investments	-	1,670
Provision for bonus	837,037	630,541
Provision for doubtful advances	-	-
Carried forward loss as per the Income-tax Act	205,911,828	139,104,417
Depreciation on fixed assets	2,549,688	1,810,176
Deferred tax assets (net)	212,888,416	143,880,788
Deferred tax assets recognised in the balance sheet	Nil	Nil

Since the Company has carried forward loss under taxation laws, deferred tax assets are not recognised as there is no virtual certainty of realisation of such assets.

19.3 Capital commitments and contingent liabilities

The Company has capital commitments as at 31 March 2013 of Rs. 773,558 net of advance Rs. 684,245 towards Software development (previous year: Rs. 785,421 net of advance Rs. 632,421). There are no contingent liabilities.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2013

(Currency: Indian rupees)

19 Notes to accounts (Continued)

19.4 Professional fees

Professional fees in Note 17 includes business level strategic and supervisory support, Information technology and other infrastructure support received from Pioneer Global Asset Management S.p.A. These have been accounted in accordance with the service level agreement.

19.5 Employee benefits

The following disclosures have been set out in accordance with the requirement of Accounting Standard 15 (revised 2005) on "Employee Benefits" prescribed by the Companies (Accounting Standards) Rules, 2006.

Key assumptions used to determine the net periodic gratuity cost were as follows:

	2013	2012
Valuation method	Projected unit credit method	Projected unit credit method
Discount rate	7.85%	8.40%
Salary growth rate	7.00%	7.00%
Normal retirement age	60 years	60 years
Attrition rate	10%	10%
Mortality rate	LIC (94-96) Ultimate	LIC (94-96) Ultimate
Amortization of actuarial gain / loss	Immediate	Immediate

a) **Discount Rate:**

The discount rate is based on the prevailing market yields of Indian government securities as at 22 March 2013 for the estimated term of the obligations.

b) **Salary Escalation Rate:**

The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant economic factors.

19.6 Earnings per share

In accordance with Accounting Standard 20 on Earnings Per Share, the computation of earnings per share is set out below:

	2013	2012
Earning per share		
Net loss after tax attributable to equity shareholders (A) - Rs.	187,198,465	131,236,423
Weighted average number of shares at Rs. 10 paid up per share equivalent (B)	28,971,000	28,971,000
Basic loss per share of face value of Rs.10 for the year (A) / (B) - Rs.	(6.46)	(4.53)



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2013

(Currency: Indian rupees)

19 Notes to accounts (Continued)

19.7 Unhedged foreign currency exposure

The unhedged foreign currency exposure as on 31 March 2013 is given below:

	2013		2012	
	Foreign currency	Indian rupee	Foreign currency	Indian rupee
Payables				
Euro	24,876	1,732,935	29,476	2,005,603
Receivables				
Euro	75,062	5,229,045	89,718	6,104,529
Cash in hand				
Euro	37	2,571	3	204
Singapore dollar	583	25,543	1	24
Pound sterling	7	616		

19.8 Transfer pricing

The Company has a comprehensive system of maintenance of information and documents required by transfer pricing legislation under section 92-92F of the Income tax Act, 1961. The management is of the opinion that all international transactions are at arm's length so that the above legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxes.

19.9 Earnings in foreign exchange (on accrual basis)

Particulars	2013	2012
Investment advisory and research fee	21,253,551	18,957,387

19.10 Expenditure in foreign exchange (on accrual basis)

Particulars	2013	2012
Travelling and conveyance	578,028	48,885
Software maintenance	9,198	236,624
Legal and professional fees	229,028	783,303
Lease line and communication	3,858,833	4,309,247
Total	4,675,087	5,378,059



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2013

(Currency: Indian rupees)

19 Notes to accounts (*Continued*)

19.11 Dues to Micro, Small and Medium Enterprises

On the basis of the information and records available, there are no dues to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

19.12 Quantitative details

The activities of the Company are not capable of being expressed in any generic unit and hence it is not possible to give the quantitative details required under paragraph 3, 4C and 4D of part II of Schedule VI of the Companies Act, 1956.

19.13 Prior year comparatives

Figures of previous year have been regrouped wherever required.

As per our attached report of even date.

For **B S R & Co.**

Chartered Accountants

Firm's Registration No: 101248W



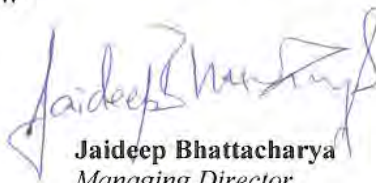
Manoj Kumar Vijai

Partner

Membership No: 046882

Mumbai

25 April 2013



Jaideep Bhattacharya

Managing Director

Mumbai

25 April 2013



S.K.Das

Director



Jack Lin

Director



Rashmi Pandit

Company Secretary

