

BARODA PIONEER ASSET MANAGEMENT COMPANY LIMITED

22ND ANNUAL REPORT (2013-2014)



BARODA PIONEER ASSET MANAGEMENT COMPANY LIMITED

CIN :U65991MH1992PLC069414

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

Mumbai -400063

22ND ANNUAL REPORT – 2013-2014

BOARD OF DIRECTORS

Mr. Jack Lin	Chairman
Mr. Sandro Pierri	Associate Director
Mr. S. S. Mundra	Associate Director
Mr. R. S. Abhyankar	Associate Director
Mr. Jaideep Bhattacharya	Managing Director (Associate)
Mr. Rohit Arora	Independent Director
Mr. Shiv Dayal	Independent Director
Mr. M. P. Mehrotra	Independent Director
Mr. Dhanpal Jhaveri	Independent Director
Mr. Asit Pal	Independent Director

COMPANY SECRETARY

Ms. Farhana Mansoor

AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants

REGISTERED OFFICE

Baroda Pioneer Asset Management Company Limited
CIN :U65991MH1992PLC069414
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

BARODA PIONEER ASSET MANAGEMENT COMPANY LIMITED

CIN :U65991MH1992PLC069414

Registered Office: 501, Titanium, 5th Floor, Western Express Highway
Goregaon (E), Mumbai 400063

NOTICE OF TWENTY SECOND ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Second Annual General Meeting of Baroda Pioneer Asset Management Company Limited (**“Company”**) will be held on Wednesday, September 3, 2014 at 3.30 p.m. in the Conference Room, Baroda Sun Tower, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company comprising of the balance sheet as at March 31, 2014 and statement of profit and loss account for the year ended on that date together with the notes forming parts of accounts and annexure thereto and the report of the Board of Directors’ and auditors’ thereon.
2. To appoint a director in place of Mr. Sandro Pierri (DIN: 6400354), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai, as statutory auditors of the Company and to fix their remuneration, and in this regard, to consider and if thought fit, to pass, with or without modifications), the following resolution as an **ordinary resolution** :

“RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 (**“Act”**) read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, having ICAI Registration No. 117366W be and are hereby appointed as the statutory auditors of Baroda Pioneer Asset Management Company Limited (**“Company”**) for a term of five consecutive years, from the conclusion of this 22nd Annual General Meeting till the conclusion of the 27th Annual General Meeting, such appointment being subject to ratification by the members at every Annual General Meeting to be held during the period, at an annual remuneration of Rs. 6 lakhs plus service tax as applicable and other out of pocket expenses as may be incurred for FY 2014-15.”

SPECIAL BUSINESS:

4. To appoint Mr. Dhanpal Jhaveri (DIN 02018124) as non-executive independent director and in this regard, to consider and if thought fit, pass the following resolution with or without modification(s) as an **ordinary resolution**:

“RESOLVED THAT pursuant to the relevant provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (**“Act”**) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the provisions of Articles 148(3), 155(1) and 155(2) of the Articles of Association of Baroda Pioneer Asset Management Company Limited (**“Company”**), Mr. Dhanpal Jhaveri (DIN 02018124) who was appointed as an additional director of the Company by the Board of Directors of the Company under Section 161(1) of the Act to hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of director, be and is hereby appointed as non-executive independent director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term upto the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.”

5. To appoint Mr. Asit Pal (DIN 00742391) as non-executive independent director and in this regard, to consider and if thought fit, pass the following resolution with or without modification(s) as an **ordinary resolution** :

“RESOLVED THAT pursuant to the relevant provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (**“Act”**) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the provisions of Articles 148(3), 155(1) and 155(2) of the Articles of Association of Baroda Pioneer Asset Management Company Limited (**“Company”**), Mr. Asit Pal (DIN 00742391) who was appointed as an additional director of the Company by the Board of Directors of the Company under Section 161(1) of the Act to hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of director, be and is hereby appointed as non-executive independent director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term upto the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.”

6. To appoint Mr. Shiv Dayal (DIN 00461206) as non-executive independent director and in this regard, to consider and if thought fit, pass the following resolution with or without modification(s) as an **ordinary resolution**:

“RESOLVED THAT pursuant to the relevant provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 (**“the Act”**) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, and provisions of Articles 148(3), 155(1) and 155(2) of the Articles of Association of Baroda Pioneer Asset Management Company Limited (**“Company”**), Mr. Shiv Dayal (DIN 00461206) who was appointed as a director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of director, be and is hereby appointed as non-executive independent director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term upto the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.”

7. To appoint Mr. Rohit Arora (DIN 00445753) as non-executive independent director and in this regard, to consider and if thought fit, pass the following resolution with or without modification(s) as an **ordinary resolution** :

“RESOLVED THAT pursuant to the relevant provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 (**“the Act”**) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and provisions of Articles 148(3), 155(1) and 155(2) of the Articles of Association of Baroda Pioneer Asset Management Company Limited (**“Company”**), Mr. Rohit Arora (DIN 00445753) who was appointed as a director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of director, be and is hereby appointed as non-executive independent director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term upto the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.”

8. To appoint Mr. M. P. Mehrotra (DIN 0016768) as non-executive independent director and in this regard, to consider, and if thought fit, pass the following resolution with or without modification(s) as an **ordinary resolution** :

“RESOLVED THAT pursuant to the relevant provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 (**“the Act”**) and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)

read with Schedule IV to the Act and provisions of Articles 148(3), 155(1) and 155(2) of the Articles of Association of Baroda Pioneer Asset Management Company Limited ("**Company**"), Mr. M. P. Mehrotra (DIN 0016768) who was appointed as a director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of director, be and is hereby appointed as non-executive independent director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term upto the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.

9. To appoint Mr. S. S. Mundra (DIN 979731) as a non-executive associate director and in this regard, to consider and if thought fit, pass the following resolution with or without modification(s) as an **ordinary resolution** :

"RESOLVED THAT pursuant to the relevant provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder ("**Act**") (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the provisions of Articles 148(2), 154(1), 154(2), 154(3) and 154(4) of the Articles of Association of the Company, Mr. S. S. Mundra (DIN 979731) who was appointed as a director in casual vacancy by the Board of Directors of the Company under Section 161(4) of the Act in place of Mr. M. D. Mallya who would have held office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of director, be and is hereby appointed as non-executive director of the Company, liable to retire by rotation."

By order of the Board of Directors



Date: July 23, 2014

Place: Mumbai

Farhana Mansoor

Head – Compliance & Company Secretary

Registered Office:

501, Titanium, 5th Floor,
Western Express Highway,
Goregaon (East), Mumbai – 400 063

Baroda Pioneer Asset Management Company Limited
CIN : U65991MH1992PLC069414
501, Titanium, 5th Floor, Western Express Highway,
Goregaon (East), Mumbai -400063
Ph. No. +91 22 30741000, 42197999
Fax No. +91 22 30741001 Email: info@barodapioneer.in
www.barodapioneer.in



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY(S) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THECOMPANY. The instrument appointing a proxy in order to be valid / effective must be duly filled in all respects and should be lodged with Company at its registered office at least 48 hours before the commencement of the meeting.

A person appointed as a proxy shall act on behalf of such number of Member(s) holding in the aggregate not more than 10% of the total share capital of the Company, carrying voting rights. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. A statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”), relating to the special business to be transacted at the Meeting is annexed hereto.
3. All documents referred to in the Notice and the Explanatory Statement, and requiring members’ approval, and such statutory records and registers, as are required to be kept open for inspection under the Act, shall be available for inspection by the Members at the Registered Office of the Company during business hours and shall be accessible to the person attending the meeting.

ANNEXURE TO THE NOTICE

Explanatory statement pursuant to Section 102 of the Companies Act, 2013 (“Act”):

Item No. 4

Mr. Dhanpal Jhaveri was appointed as an additional director on the Board of your Company with effect from February 25, 2014, pursuant to the provisions of Section 149, 152 and 161(1) of the Act, read with Articles 148(3), 155(1) and 155(2) of the Articles of Association of the Company and holds office upto the date of the ensuing Annual General Meeting.

The Company has received requisite notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. Dhanpal Jhaveri for the office of director of the Company. Mr. Dhanpal Jhaveri is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given his consent to act as director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to five consecutive years on the Board of a company and he/she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Dhanpal Jhaveri that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mr. Dhanpal Jhaveri fulfills the conditions for his appointment as independent director as specified in the Act and the rules made thereunder and is independent of the management.

Mr. Dhanpal Jhaveri is a Partner & CEO of Everstone Capital Advisors Private Ltd. Prior to this, Mr. Jhaveri was the Executive Director of Capital First Limited (formerly known as Future Capital Holdings Ltd.). Mr. Jhaveri's expertise lies in hand-on leadership supported by over 22 years of experience in Investments, Strategy, M&A and Investment Banking. He has extensive experience in financial services, natural resources, industrial and infrastructure sectors, and serves on the board of several companies including, Indostar Capital, Crystal Crop Protection, Pan India Foods and Global Hospitals. Mr. Jhaveri holds a degree in Bachelor of Commerce from the University of Mumbai and an MBA from Babson College, Graduate School of Business, United States.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Dhanpal Jhaveri is appointed as an independent director on the Board of the Company.

Copy of the draft letter for appointment of Mr. Dhanpal Jhaveri as an independent director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Save and except Mr. Dhanpal Jhaveri, none of the other directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No. 5

Mr. Asit Pal was appointed as an additional director on the Board of your Company with effect from July 23, 2014, pursuant to the provisions of Section 149, 152 and 161(1) of the Act, read with Articles 148(3), 155(1) and 155(2) of the Articles of Association of the Company and holds office upto the date of the ensuing Annual General Meeting.

The Company has received requisite notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. Asit Pal for the office of director of the Company. Mr. Asit Pal is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given his consent to act as director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to five consecutive years on the Board of a company and he/she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Asit Pal that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mr. Asit Pal fulfills the conditions for his appointment as independent director as specified in the Act and the rules made thereunder and is independent of the management.

Mr. Asit Pal is a versatile banker with more than 32 years of extensive experience in various functions such as planning, credit, risk management and investments. In his last assignment, Mr. Pal was the Executive Director of Corporation Bank. Mr. Pal was also associated with Bank of Baroda in various capacities in branches, regional/zonal offices and administrative offices in India. Mr. Pal has also worked as an internal auditor of the UK and Brussels operations of the Bank. Mr. Pal holds a degree in Science and is a member of the Institute of Chartered Accountants of India.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Asit Pal is appointed as an independent director on the Board of the Company.

Copy of the draft letter for appointment of Mr. Asit Pal as an independent director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Save and except Mr. Asit Pal, none of the other directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Item Nos. 6, 7 & 8

Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra are independent directors of the Company. Mr. Shiv Dayal and Mr. Rohit Arora have held the positions as such for more than five years, while Mr. M. P. Mehrotra has held the position of an independent director for more than two years.

It is proposed to appoint Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra as independent directors under Section 149 of the Act to hold office for five consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019.

Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra are not disqualified from being appointed as directors in terms of Section 164 of the Act and have given their consent to act as directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra for the office of directors of the Company.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to five consecutive years on the Board of a company and he/she shall not be included in the total number of directors for retirement by rotation.

The Company has also received declarations from Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

In the opinion of the Board, Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra fulfill the conditions for appointment as independent directors as specified in the Act and the rules made thereunder. Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra are independent of the management.

Brief profiles of Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra are given below.

Mr. Shiv Dayal :

Mr. Shiv Dayal is the Founder and Managing Director of Langham Capital. He is also the Chairman of F1F9 (India) Private Ltd. Prior to founding Langham Capital, Mr. Dayal managed two technology ventures in Europe, worked in the Mergers & Acquisitions groups at JPMorgan and Dresdner Kleinwort Benson in London and New York. Mr. Shiv Dayal has a Bachelor degree in Economics from the University of Sussex, a Master's degree in Development Economics from the University of East Anglia and an MBA from London Business School. He is also a Director of various companies.

Mr. Rohit Arora :

Mr. Rohit Arora is the Founder & Chairman, EMR Technology Ventures Private Limited. He has over two decades of experience in business process outsourcing, investment banking and management consulting. He has advised Fortune 1000 corporations on their India entry strategy including identifications, negotiations and selection of joint venture partners. Mr. Arora is also the founder director of AR Credit. He was earlier the Managing Director of AIA Capital India Pvt. Ltd, the Investment Banking arm of AIG - American International Group. Mr. Arora is a fellow member of the Institute of Chartered Accountants of India.

Mr. M. P. Mehrotra :

Mr. M.P. Mehrotra is a founder partner of Mehrotra & Mehrotra, a firm of chartered accountants in existence for over 49 years. During this period, Mr. Mehrotra has supervised audits for a number of leading Indian conglomerates, companies, financial services entities and banks, including the Essar Group, ABG Group, SAIL, BHEL, NTPC, LIC, Punjab National Bank etc. Mr. Mehrotra has also handled varying matters under the Companies Act, 1956 and the Income Tax Act, 1961, in addition to handling takeovers, mergers, acquisitions etc. He has also held important Government offices, such as member of the Central Board of Trustees, EPFO, member of the Task Force for MOU, Ministry of Heavy Industries & Public Enterprises, Govt. of India, trustee of Cochin Port Trust etc. Currently Mr. Mehrotra serves as the official advisor to the High Commission of Malta, New Delhi, in addition to being director on various companies of repute.

Mr. Mehrotra is a fellow member of the Institute of Chartered Accountants of India, and holds a degree in law and a bachelor's degree in commerce.

Copies of the draft letters for appointment of Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra as independent directors setting out the terms and conditions are available for inspection by members at the registered office of the Company.

Mr. Shiv Dayal, Mr. Rohit Arora and Mr. M. P. Mehrotra are interested in the resolutions set out in Item Nos. 6, 7 and 8 of the Notice respectively with regard to their respective appointments.

Save and except the above, none of the other directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 6, 7 and 8 of the Notice.

The Board recommends the Ordinary Resolutions set out at Item Nos. 6, 7 and 8 of the Notice for approval by the members.

Item No. 9

Mr. S. S. Mundra was appointed as a director in casual vacancy on the Board of your Company with effect from February 25, 2014, pursuant to the provisions of Section 149, 152, 161(4) of the Act, read with Articles 148(2), 154(1), 154(2), 154(3) and 154(4) of the Articles of Association of the Company. As provided under Section 161(4) of the Act, Mr. Mundra holds office upto the date of the ensuing Annual General Meeting.

The Company has received requisite notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. S. S. Mundra for the office of director of the Company. Mr. S. S. Mundra is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given his consent to act as director.

Mr. S. S. Mundra is the Chairman and Managing Director of Bank of Baroda. Prior to this, he was the Executive Director of Union Bank of India. Mr. Mundra started his career as a Probationary Officer in Bank of Baroda in 1977 and has over three decades of experience in the banking industry. He has held wide range of responsibilities in domestic as well as international operations in various capacities. Mr. Mundra brings with him diverse experience in treasury, international operations and credit. Mr. Mundra holds a Master's Degree in Commerce and is a Certified Associate of Indian Institute of Banking & Finance (CAIIB).

Save and except Mr. S. S. Mundra, none of the other directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the members.

**FORM NO. MGT-11
PROXY FORM**

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]*

CIN: U65991MH1992PLC069414

Name of the Company: Baroda Pioneer Asset Management Company Ltd

Registered office: 501, Titanium, 5th Floor, Western Express Highway, Goregaon (East),
Mumbai - 400063

Name of the member (s):

Registered address:

E-mail Id:

Folio No / Client Id:

DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:.....,

or failing him

2. Name:

Address:

E-mail Id:

Signature:.....,

or failing him

3. Name:

Address:

E-mail Id:

Baroda Pioneer Asset Management Company Limited
CIN : U65991MH1992PLC069414
501, Titanium, 5th Floor, Western Express Highway,
Goregaon (East), Mumbai -400063
Ph. No. +91 22 30741000, 42197999
Fax No. +91 22 30741001 Email: info@barodapioneer.in
www.barodapioneer.in



Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company, to be held on Wednesday, September 3, 2014 at 3.30 p.m. in the Conference Room, Baroda Sun Tower, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10

Signed this <___> of <_____>2014

Signature of shareholder

Signature of Proxy(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP:

CIN: U65991MH1992PLC069414

Name of the Company: Baroda Pioneer Asset Management Company Ltd

Registered office: 501, Titanium, 5th Floor, Western Express Highway, Goregaon (East),
Mumbai - 400063

Registered Folio No / Client ID : _____

DP ID: _____

No. of Shares: _____

I / We, certify that I / We, am / are a Member / Proxy for the Member of the Company for the Twenty Second Annual General Meeting to be held on Wednesday, September 3, 2014 at 3.30 p.m. in the Conference Room, Baroda Sun Tower, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

.....
.....

Shareholder's / Proxy's name in block letters

Signature of Shareholder/ Proxy

Note:

Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Notice of the Meeting to the meeting.

DIRECTORS' REPORT TO THE MEMBERS

Your directors have great pleasure in presenting the Twenty Second Annual Report of the Company together with the audited balance sheet as on 31.03.2014 and the statement of profit & loss account for the year ended at that date.

FINANCIAL PERFORMANCE OF THE COMPANY FOR YEAR ENDED MARCH 31, 2014

Particulars	As at 31.3.2014	As at 31.3.2013
	(Rs. in lakh)	(Rs. in lakh)
Total Income	2,621.22	1,720.60
Profit / (loss) before Depreciation	(904.79)	(1,779.33)
Less Depreciation	73.47	86.47
Profit & loss before Tax	(978.26)	(1,865.80)
Less Provision for Tax	(4.20)	(6.18)
Profit & loss after Tax	(982.46)	(1,871.98)
Less Prior Period Adjustment	-	-
Profit after Tax & Adjustment	(982.46)	(1,871.98)
Profit after tax and adjustments carried to Balance sheet	(982.46)	(1,871.98)
Reserves & Surplus (before adjusting accumulated losses)	3,961.66	4,009.57

SHARE CAPITAL

As on March 31, 2014, the paid-up equity share capital of your Company was Rs. 880,440,640/- and the net worth was Rs.661,622,435. Both the shareholders viz. Pioneer Global Asset Management S.p.A and Bank of Baroda, infused additional capital to the tune of Rs. 590,730,640/- by way of rights issue during the financial year ended March 31, 2014.

PROFITABILITY

During the year, the total income of the company grew by 52%. The net loss for the financial year 2013-14 was Rs. 982.46 lakhs, as against a net loss of Rs. 1,871.98 lakhs in financial year 2012-13.

DIVIDEND

Your directors do not recommend any dividend for the year 2013-14 on account of the net loss suffered by your Company during the financial year 2013-14.

STATE OF ECONOMY

Quarterly trend in FY 2013-14 shows volatility in growth. After recording a growth of 4.7% and 5.2% in Q1 and Q2 respectively, GDP growth slowed down to 4.7% in Q3 and 4.6% in Q4. This was due to all external factors, including global economy recovery. Key issue was domestic structural constraints. The economy is expected to grow at 5.4%-5.9% in FY15 (Source – indiabudget.nic.in) which was predicated on revival in industrial sector, benign outlook on crude and no external shocks (including effects of below normal monsoons).

CPI fell from 9-10% in the last couple of years to 8% in February 2014, a 25 month low, on back of moderation in prices of vegetables, meat, eggs and fish. However, core inflation (education, healthcare and household requisites) remained sticky.

Fiscal deficit was at 4.5% of GDP in FY2013-14 against budget target of 4.8% due to focus on fiscal consolidation despite shortfall in tax revenues, divestment target, higher than budget subsidies and interest and pension payment. Current Account Deficit was seen at 1.7% of GDP (US\$32.4bn) in FY2013-14, better than 4.7% of GDP (US\$88.2bn) in FY2012-13. This was achieved through lower import of gold & silver and better exports.

[Source : Bloomberg]

MUTUAL FUND INDUSTRY

Amidst volatility and uncertainty in the markets, the mutual fund industry saw its Average Assets Under Management (“**AAUM**”) grow by 10% for the year ended March 2014. The industry has witnessed a growth of around of 12% CAGR (Compound Annual Growth Rate) from 2011-2014. The industry has seen positive net flows in the last two years and has added Rs.76,539 crores in the FY13-14 . The industry AAUM of 2013-14 ended at Rs.905,120 crores (as on March 2014) as compared to Rs 816,657 crores in the FY 2012-13 (as on March 2013).

Although the industry has seen an overall growth in the AAUM, there has been a shift in the asset mix of the industry. Investors’ expectation of RBI rate cuts, tight liquidity conditions, high commodity prices, and weak global cues impacted both the fixed income and equity markets. The AAUM under the equity segment declined by 3.35%, while the debt/income segment grew by 11.31% during 2014. . Liquid and money market AUM also grew by 29.31% during the same period.

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 2014-15 to be on increasing penetration particularly in B15 cities, enhancing distribution coverage, delivering better risk-adjusted returns, further upgrading customer service and offering technology based transaction capabilities.

[Source: AMFI]

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 2013-14, 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 104 locations in India and has 203 official points for acceptance of transactions. Your Company did not launch any other product in 2013-14 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.

Baroda Pioneer Asset Management Company Limited
CIN : U65991MH1992PLC069414
501, Titanium, 5th Floor, Western Express Highway,
Goregaon (East), Mumbai -400063
Ph. No. +91 22 30741000, 42197999
Fax No. +91 22 30741001 Email: info@barodapioneer.in
www.barodapioneer.in



CHANGE IN DIRECTORS

At the last Annual General Meeting (“AGM”) of your Company held on August 28, 2013, Mr. P. K. Gupta retired by rotation and chose not to be re-appointed on the Board of Directors and appointment of Mr. Sandro Pierri, director appointed in casual vacancy, was confirmed on the Board of the Company.

During the financial year ended March 31, 2014, the following changes took place in the composition of the Board of Directors of the Company:

- Mr. S. K. Das, who represented the Bank on the Board of Directors of the Company, ceased to be an associate director of the Company effective December 1, 2013, on account of his superannuation from the Bank.
- Mr. S. S. Mundra, Chairman & Managing Director of the Bank, was appointed as an associate director of the Company, in place of Mr. M. D. Mallya, effective February 25, 2014, and consequently, as a Bank nominee on all the Committees of the Board.
- Mr. Dhanpal Jhaveri (Wholetime Director and CEO of Everstone Capital Advisors Private Ltd.) was appointed as an additional director of the Company with effect from February 25, 2014.

In the current FY 2014-15 till date, Mr. Asit Pal (former Executive Director of Corporation Bank) was appointed as an additional director while Mr. R. S. Abhyankar, General Manager – Treasury and Investment Portfolio of Bank of Baroda, was appointed as an associate director of the Company in place of Mr. S. K. Das with effect from July 23, 2014.

Your directors place on record their appreciation for the valuable contribution made by Mr. P. K. Gupta and Mr. S. K. Das during their association with the Company.

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. This Report and the 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 confirm that:

1. In the preparation of the annual accounts for the year ended 31st March 2014, 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 2014.
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. Deloitte Haskins & Sells LLP, Chartered Accountants (Reg. No. 117366W), hold office until the conclusion of the ensuing Annual General Meeting and have sought re-appointment. We propose to re-appoint M/s. Deloitte Haskins & Sells LLP as the statutory auditors of the Company for the term of five years effective FY 2014-15.

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 call for 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 and earnings in foreign currency aggregated to Rs. 52.52 lakhs (previous year: Rs. 46.75 lakhs) and Rs. 169.03 lakhs (previous year: Rs. 212.54 lakhs), respectively.

REPORT ON CORPORATE GOVERNANCE

Board of Directors

As on date of this report, the Board of Directors of the Company comprises of the following ten directors, out of whom five directors are non-executive independent directors.

Mr. Jack Lin	Chairman
Mr. Sandro Pierri	Associate Director
Mr. S. S. Mundra	Associate Director
Mr. Jaideep Bhattacharya	Managing Director (Associate)
Mr. R S Abhyankar	Associate Director
Mr. Rohit Arora	Independent Director
Mr. Shiv Dayal	Independent Director
Mr. M. P. Mehrotra	Independent Director
Mr. Dhanpal Jhaveri	Independent Director
Mr. Asit Pal	Independent Director

Board Meetings

The Board meets at least four times during a year. During the financial year 2013-14, four meetings of the Board of Directors were held on April 25, 2013, July 24, 2013, October 28, 2013 and February 25, 2014.

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 Act. The Audit Committee comprises of Mr. Rohit Arora, Mr. Jack Lin and Mr. S. S. Mundra. Mr. S. S. Mundra was appointed in place of Mr. S. K. Das as a nominee member representing the Bank. During

the financial year 2013-14, four meetings of the Audit Committee were held on April 25, 2013, July 24, 2013, October 28, 2013 and February 25, 2014.

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 of Mr. Jack Lin, Mr. S. S. Mundra, Mr. Jaideep Bhattacharya and Chief Investment Officer of the Company. Mr. S. S. Mundra was appointed in place of Mr. S. K. Das as a nominee member representing the Bank. During the financial year 2013-14, three meetings of the Investment Committee were held on July 24, 2013, October 28, 2013 and February 25, 2014.

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 of Mr. Jack Lin, Mr. S. S. Mundra, Mr. Jaideep Bhattacharya, Chief Operating Officer and the Compliance Officer of the Company. Mr. S. S. Mundra was appointed in place of Mr. S. K. Das as a nominee member representing the Bank. During the financial year 2013-14, three meetings of the Risk & Compliance Committee were held on July 24, 2013, October 28, 2013 and February 25, 2014.

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 of Mr. Jack Lin, Mr. S. S. Mundra, Mr. Rohit Arora, Mr. Shiv Dayal and Mr. M. P. Mehrotra. Mr. S. S. Mundra was appointed in place of Mr. S. K. Das as a nominee member representing Bank of Baroda. During the financial year 2013-14, no meetings of the Remuneration Committee were held.

Annual General Meetings

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

AGM	DATE	VENUE
19 th AGM	27.09.2011	Bank of Baroda, Baroda Sun Tower, G- Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
20 th AGM	24.09.2012	501, Titanium, 5th Floor, Western Express Highway, Goregaon (E), Mumbai – 400 063
21 st AGM	28.08.2013	Bank of Baroda, Baroda Sun Tower, G- Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

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, custodian and fund accountant 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 acknowledge their contribution towards the progress and performance of the Company.

For and on behalf of the Board of Directors



Chairman

Place : Mumbai
Date : July 23, 2014

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 31st March, 2014 and the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' 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 the 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014; and
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet and the 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 the Statement of Profit and Loss comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
- (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Z. F. Billimoria
Partner
(Membership No. 42791)

MUMBAI, 23rd April, 2014
ZFB/SB/2014

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business/activities/result/transaction etc. clauses (ii), (vi), (viii), (xi), (xii), (xiii), (xv), (xvi), (xvii), (xviii), (xix), and (xx) of CARO are not applicable.

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the firm of chartered accountant in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (ii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (iii) 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 the nature of its business for purchase of fixed assets and for the sale of services. During the course of our audit we have not observed any major weakness in such internal control system.
- (iv) To the best of our knowledge and belief and according to the information and explanations given to us, there were no contracts or arrangements which needed to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
- (v) In our opinion, the internal audit function carried out during the year by firm of Chartered Accountants appointed by the Management have been generally commensurate with the size of the Company and the nature of its business.
- (vi) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed dues, including Provident fund Income-tax, Service Tax and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Service Tax and other material statutory dues in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.



- (vii) The accumulated losses of the Company at the end of the financial year are less than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) Based on our examination of the records and evaluation of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of its dealing in mutual fund investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Registration No. 117366W/W-100018)



Z. F. Billimoria
Partner
(Membership No.42791)

MUMBAI, 23rd April, 2014
ZFB/SB/2014

Baroda Pioneer Asset Management Company Limited

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Balance sheet as at 31 March 2014

(Currency: Indian rupees)

Particulars	Note No.	31-March-14	31-March-13
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	3	880,440,640	289,710,000
(b) Reserves and Surplus	4	(217,800,886)	(114,764,337)
Non-Current Liabilities			
(a) Long term provisions	5	12,751,493	11,423,157
Current Liabilities			
(a) Trade payables	6	44,196,300	58,885,082
(b) Other current liabilities	7	4,519,088	5,718,623
(c) Short-term provisions	8	1,760,263	1,602,072
Total		725,866,898	252,574,597
II. Assets			
Non-current assets			
(a) Fixed assets	9		
(i) Tangible assets		15,219,490	15,713,351
(ii) Intangible assets		1,017,319	61,387
(b) Long term loans and advances	10	42,012,164	53,043,553
Current assets			
(a) Current investments	11	303,004,570	12,958,645
(b) Trade receivables	12	44,768,103	45,615,863
(c) Cash and bank balances	13	301,869,082	100,505,570
(d) Short-term loans and advances	14	17,976,170	24,676,228
Total		725,866,898	252,574,597

See accompanying notes to the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

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

Z. F. Billimoria

Z. F. Billimoria
Partner

Mumbai
23-April-2014

Jaideep Bhattacharya
Jaideep Bhattacharya
Managing Director

S.S. Mundra
S.S. Mundra
Director

Jack Lin
Jack Lin
Director

Farhana Mansoor
Farhana Mansoor
Company Secretary

Mumbai
23-April-2014



Baroda Pioneer Asset Management Company Limited

Statement of profit and loss for the year ended 31 March 2014

(Currency: Indian rupees)


Particulars	Note No.	Current Year	Previous Year
Revenue from operations	15	215,035,481	150,794,652
Other income	16	47,086,522	21,264,898
Total Revenue		262,122,003	172,059,550
Expenditure			
Employee benefit expenses	17	133,687,734	124,752,810
Depreciation and amortisation expenses	9	7,346,722	8,647,218
Other Expenses	18	218,913,413	225,239,502
Total Expenses		359,947,869	358,639,530
Loss before tax		(97,825,866)	(186,579,980)
Provision for taxation			
- Earlier year's tax adjustment		(419,952)	(618,486)
Loss for the year		(98,245,818)	(187,198,466)
Earning per equity share:			
(1) Basic		(1.44)	(6.46)
(2) Diluted			

See accompanying notes to the financial statements.

In terms of our report attached.


For Deloitte Haskins & Sells LLP
Chartered Accountants

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



Z. F. Billimoria
Partner

Mumbai
23-April-2014



Jaideep Bhattacharya
Managing Director



S.S. Mundra
Director



Jack Lin
Director



Farhana Mansoor
Company Secretary

Mumbai
23-April-2014



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (*Continued*)

for the year ended 31 March 2014

(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 principal activity of the Company is to act as an investment manager 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 accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/2013 Act, as applicable.

These financial statements have been prepared on accrual basis under historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period.

Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual result and the estimates are recognised in the period in which the results are known / materialise.

The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.2 Fixed assets and depreciation

- a) Tangible 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.
- b) Intangible assets comprising of computer software are stated at cost of acquisition, including any cost attributable for bringing the asset to its working condition, less accumulated amortisation. Any technology support cost or annual maintenance cost of such software is charged annually to the Statement of Profit and Loss.
- c) Depreciation is provided on the written down value method other than computers, computer software and leasehold improvements. The Computers and Computer Software are depreciated / amortised on straight line basis over the useful life and leasehold improvements are depreciated over the period of lease or useful life, whichever is shorter.
- d) 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%
Office equipment	18.10%
Computers	33.33%
Computer software	33.33%
Leasehold improvements	Over the period of lease or useful life, whichever is shorter

- e) 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.
- f) Fixed assets individually costing Rs.5,000 or less are fully depreciated in the year of purchase / acquisition.
- g) *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 Statement of profit and loss. 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.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.3 Revenue Recognition

Investment management fees

Investment management fees are recognised net of 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, intra-scheme investments and schemes investment in fixed deposit for certain category of schemes), such that it does not exceed the expense limit 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

Investment advisory & research 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 Statement of profit and loss 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.

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 Statement of profit and loss. The comparison of cost and market value is done separately for each individual investment.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.6 Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.7 Employee 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 recognised immediately in the Statement of profit and loss.

Provident fund

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

Compensated absences

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



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.8 Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.9 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 recognised as income or expense in the Statement of profit and loss.

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 Statement of profit and loss.

2.10 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.11 Service Tax Input Credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

2.12 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.13 Share issue expenses

Share issue expenses are adjusted against the Securities premium account as permissible under Section 78(2) of the Companies Act, 1956.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

As at
31 March, 2014

As at
31 March, 2013

3 Share capital

Authorised		
95,000,000 (Previous year : 35,000,000) equity shares of Rs. 10/- each	<u>950,000,000</u>	<u>350,000,000</u>
	<u>950,000,000</u>	<u>350,000,000</u>
Issued, subscribed and paid-up		
88,044,064 (Previous year : 28,971,000) equity shares of Rs. 10/- each fully paid up	<u>880,440,640</u>	<u>289,710,000</u>
	<u>880,440,640</u>	<u>289,710,000</u>

3.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Name of Share Holders	As at 31 March, 2014		As at 31 March, 2013	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	28,971,000	289,710,000	28,971,000	289,710,000
No. of Shares allotted during the year	59,073,064	590,730,640	-	-
Outstanding at the end of the year	88,044,064	880,440,640	28,971,000	289,710,000

3.2 44,902,473 (Previous year : 14,775,210) equity shares of Rs. 10 each are held by Pioneer Global Asset Management S.p.A., the holding company.

3.3 The details of Shareholder's holding more than 5% of Equity Shares is set out below:

Name of Share Holders	As at 31 March, 2014		As at 31 March, 2013	
	No. of Shares	% held	No. of Shares	% held
Pioneer Global Asset Management S.p.A.,	44,902,473	51%	14,775,210	51%
Bank of Baroda and its nominees	43,141,591	49%	14,195,790	49%
Total	88,044,064		28,971,000	

3.4 The Company has only one class of shares referred to as equity shares having Face Value of Rs. 10 each. Each holder of equity share is entitled to one vote per share.

3.5 The holders of equity shares are entitled to dividend, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

3.6 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.

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Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

4 Reserves and surplus	As at 31 March, 2014	As at 31 March, 2013
Securities premium account	400,956,970	400,956,970
Opening balance		
Less : Utilised during the year for Equity Share issue expenses	(4,790,731)	-
Closing balance	396,166,239	400,956,970
Deficit in the statement of Profit and Loss		
Balance at the beginning of the year	(515,721,307)	(328,522,841)
Loss for the year	(98,245,818)	(187,198,466)
Balance at the end of the year	(613,967,125)	(515,721,307)
	<u>(217,800,886)</u>	<u>(114,764,337)</u>
5 Long term provisions	As at 31 March, 2014	As at 31 March, 2013
Provision for Employee Benefits		
Gratuity	5,781,371	5,322,308
Compensated Absences	3,174,621	3,638,251
Bonus	3,795,501	2,462,598
	<u>12,751,493</u>	<u>11,423,157</u>
6 Trade payables		
Payable to Vendor	89,636	171,582
Accrued expenses	27,770,607	44,473,341
Bonus payable	16,336,057	14,240,159
	<u>44,196,300</u>	<u>58,885,082</u>
6.1. 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.		
7 Other current liabilities		
Statutory dues	4,007,938	5,718,623
Payable for purchase of Intangible Assets	505,058	-
Others	6,092	-
	<u>4,519,088</u>	<u>5,718,623</u>
7.1. 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.		
8 Short-term provisions		
Provision for Employee Benefits		
Gratuity	831,615	614,553
Compensated Absences	927,543	986,414
Provision for Tax [net of advance tax Rs. 63,800 (P.Y.Rs 63,800)]	1,105	1,105
	<u>1,760,263</u>	<u>1,602,072</u>



Notes to the financial statements (Continued)

(Currency: Indian rupees)

9 Fixed assets

Description	Gross block			Depreciation		Net block	
	As at 1 April 2013	Additions	Deductions	As at 1 April 2013	For the Deductions year	As at 31 March 2014	As at 31 March 2013
Tangible							
Computers	27,324,883 (22,848,844)	5,686,743 (4,542,739)	82,000 (66,700)	21,681,696 (18,275,397)	4,027,547 (3,463,070)	25,627,243 (21,681,696)	5,643,187 (4,573,446)
Furniture and fixtures	4,749,427 (4,479,762)	60,639 (269,665)	- -	4,810,066 (4,749,427)	408,808 (485,613)	3,009,692 (2,600,884)	2,148,543 (2,364,491)
Office equipment	13,500,594 (12,979,741)	718,944 (520,853)	86,440 -	14,133,098 (13,500,594)	1,294,411 (1,436,247)	8,016,365 (6,739,305)	6,761,289 (7,676,683)
Leaseholds improvements	14,040,824 (14,040,824)	- -	- -	12,880,492 (9,786,280)	1,160,332 (3,094,212)	14,040,824 (12,880,492)	0 (1,160,332)
Total Tangible assets (A)	59,615,728 (54,349,171)	6,466,326 (5,333,257)	168,440 (66,700)	65,913,614 (59,615,728)	6,891,098 (8,479,142)	50,694,124 (43,902,377)	15,713,351 (18,869,165)
Intangible - other than internally generated							
Software	3,551,262 (3,551,262)	1,411,556 -	- -	4,962,818 (3,551,262)	3,489,875 (3,321,799)	3,945,499 (3,489,875)	61,387 (229,463)
Total Intangible assets (B)	3,551,262 (3,551,262)	1,411,556 -	- -	4,962,818 (3,551,262)	455,624 (168,076)	3,945,499 (3,489,875)	61,387 (229,463)
Total (A+B)	63,166,990 (57,900,433)	7,877,882 (5,333,257)	168,440 (66,700)	70,876,432 (63,166,990)	7,346,722 (8,647,218)	54,639,623 (47,392,252)	15,774,738 (15,774,738)
Previous year							

Note
Previous year amounts disclosed in ().

Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March, 2014	As at 31 March, 2013
10 Long term loans and advances		
(Unsecured, Considered good)		
Security deposits	24,849,250	24,871,750
Capital advances	-	684,245
Advance tax [net of provisions Rs. 2,392,800 (P.Y Rs. 2,392,800)]	17,162,914	27,487,558
	<u>42,012,164</u>	<u>53,043,553</u>
11 Current investments		
Mutual Fund units (Unquoted)		
206,410.587 (Previous year: 9,807.099) units of Baroda Pioneer Liquid Fund Growth -Plan B of Rs. 1,000 each	303,004,570	12,958,645
	<u>303,004,570</u>	<u>12,958,645</u>
The aggregate book value and market value of quoted investments and book value of unquoted investments is as follows:		
Unquoted investments		
- Aggregate book value	303,004,570	12,958,645
- Aggregate market value (Net Asset value)	303,788,146	13,185,739

11.1 Current investments are valued at cost or market value whichever is lower



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March, 2014	As at 31 March, 2013
12 Trade receivables (Unsecured, considered good, less than six months from the date they were due for payment)		
Management fees	41,277,267	40,386,817
Advisory and research fees (Refer note 19.1)	3,490,836	5,229,046
	<u>44,768,103</u>	<u>45,615,863</u>
13 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	30,954	28,730
Balance with banks in Current account's	<u>1,357,702</u>	<u>476,840</u>
Cash and cash equivalent	<u>1,388,656</u>	<u>505,570</u>
Other bank balance (Refer note 19.1)		
Short term bank deposits	<u>300,480,426</u>	<u>100,000,000</u>
	<u>301,869,082</u>	<u>100,505,570</u>
14 Short-term loans and advances		
Service tax Input Credit	12,406,390	15,713,829
Advances to contractors	207,690	110,301
Advances to staff	333,056	2,786
Security deposits	300,000	-
Interest accrued but not due on short term bank deposits	2,102,022	5,941,820
Prepaid expenses	2,627,012	2,907,492
	<u>17,976,170</u>	<u>24,676,228</u>



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	Current Year	Previous Year
15 Revenue from operations		
Investment management fee	198,132,846	129,541,101
Investment advisory and research fee (Refer Note 19.1 and 19.8)	16,902,635	21,253,551
	<u>215,035,481</u>	<u>150,794,652</u>
16 Other income		
Interest on Bank deposits	6,057,374	12,502,358
Profit on sale of current investment	39,101,645	6,804,486
Interest on income tax refund	1,593,911	1,685,188
Exchange gain	300,911	-
Other Non operating Income	32,681	272,866
	<u>47,086,522</u>	<u>21,264,898</u>
17 Employee benefit expenses		
Salaries, bonus and allowances	122,129,663	109,859,478
Contribution to provident fund	7,396,508	6,390,074
Staff welfare	3,250,039	6,322,132
Gratuity	911,524	2,181,126
	<u>133,687,734</u>	<u>124,752,810</u>

- 17.1** The following disclosures have been set out in accordance with the requirement of Accounting Standard 15 on "Employee Benefits" notified by the Companies (Accounting Standards) Rules, 2006

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

	Projected unit credit method	Projected unit credit method
Valuation method		
Discount rate	9.15%	7.85%
Salary growth rate	7.00%	7.00%
Normal retirement age	60 years	60 years
Attrition rate	10%	10%
	Indian Assured Lives Mortality (2006-08) Ult table	Indian Assured Lives Mortality (2006-08) Ult table
Mortality rate		

Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at 31 March 2014 for the estimated term of the obligations.

Salary Escalation Rate

The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant economic factors, such as supply and demand in the employment market.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

18 Other expense

Rent	23,591,967	26,931,360
Legal and professional fees (Refer note 19.1)	4,956,920	5,719,409
Outsource scheme related expenses	44,455,702	19,896,148
Travelling and conveyance (Refer note 19.9)	8,536,373	12,050,668
Printing and stationery	4,826,755	4,624,603
Outsourcing Charges	42,627,151	38,312,589
Repairs and maintenance - others	2,912,560	2,263,843
Communication (Refer note 19.1)	8,448,984	8,256,267
Electricity charges	3,411,189	2,862,374
Advertisement and publicity	3,282,856	4,559,141
Information technology	15,613,502	13,115,822
Membership and registration fees	3,290,296	1,980,215
Director sitting fees	260,000	260,000
Marketing expenses	11,176,276	22,042,143
Brokerage expenses	14,106,473	46,601,619
Insurance expenses	473,461	894,488
Fund accounting expenses	5,021,099	6,055,427
Scheme related expenses	10,318,608	1,191,290
Postage, Freight, Couriers	3,229,770	2,410,789
SEBI and other filing fees	3,343,108	1,869,711
Recruitment and consultancy charges	1,619,672	690,508
Auditors Remuneration		
Statutory audit fees	600,000	800,000
Tax audit fees	250,000	200,000
Reimburesement of expenses	27,170	23,750
Miscellaneous expenses	2,533,521	1,627,338
	<u>218,913,413</u>	<u>225,239,502</u>



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(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

(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 (w.e.f. 17 July 2012)



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

(E) Transactions with related parties

Particulars	2014	2013
Income		
1. Pioneer Investment Management Limited - Investment advisory & research income	16,902,635	21,253,551
Expense		
1. PGAM - Professional fees (allocated support charge) (Refer note 19.2)	1,365,150	229,028
2. Unicredit Business Integrated Solutions Austria GmbH - Lease Line Charge	3,620,556	3,827,642
3. Key management personnel Rajan Krishnan - Salary, bonus and allowances - Perquisites	- -	6,550,463 1,718
Rajeev Thakkar - Salary, bonus and allowances - Perquisites	- -	1,953,835 53,560
Jaideep Bhattacharya - Salary, bonus and allowances - Perquisites	1,40,74,931 15,000	10,974,029 259,641

(F) Balances with related parties

Particulars	2014	2013
Assets		
1. Pioneer Investment Management Limited - Investment advisory & research income	3,490,836	5,229,046
Liabilities		
1. PGAM - Professional expenses	1,015,083	171,582
2. Unicredit Business Integrated Solutions Austria GmbH	-	1,561,353

Note: The above excludes transactions in the ordinary course of business with Bank of Baroda such as fixed deposit, current account etc.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

19 Notes to accounts (Continued)

19.2 Professional fees

Professional fees in note 19.1 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.

19.3 Deferred taxation

Particulars	2014	2013
Deferred tax assets		
Provision for gratuity	2,043,413	2,017,939
Provision for leave encashment	1,267,569	1,571,924
Provision for bonus	1,172,810	837,037
Carried forward loss as per the Income-tax Act	204,694,952	205,911,828
Depreciation on fixed assets	2,043,574	2,549,688
Deferred tax assets (net)	211,222,318	212,888,416
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 supported by convincing evidence of realisation of such asset.

19.4 Capital commitments

The Company has capital commitments as at 31 March 2014 of Rs. Nil (previous year: Rs. 773,558 net of advance Rs. 684,245).

19.5 Earnings per share

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

	2014	2013
Earning per share		
Net loss after tax attributable to equity shareholders (A) - Rs.	98,245,818	187,198,466
Weighted average number of shares at Rs. 10 paid up per share equivalent (B)	68,460,939	28,971,000
Basic loss per share of face value of Rs.10 for the year (A) / (B) - Rs.	(1.44)	(6.46)



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

19.6 Unhedged foreign currency exposure

The unhedged foreign currency exposure as on 31 March 2014 is given below:

	2014		2013	
	Foreign currency	Indian rupee	Foreign currency	Indian rupee
Payables				
Euro	12,352	1,015,083	24,876	1,732,935
Receivables				
Euro	42,480	3,490,836	75,062	5,229,045
Cash in hand				
Euro	-	-	37	2,571
Singapore dollar	278	13,190	583	25,543
Hong Kong dollar	821	6,323	-	-
US dollar	100	5,976	-	-
Pound sterling	30	2,983	7	616
Chinese Yuan	256	2,482	-	-

19.7 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.

19.8 Earnings in foreign exchange (on accrual basis)

Particulars	2014	2013
Investment advisory and research fee	16,902,635	21,253,551

19.9 Expenditure in foreign exchange (on accrual basis)

Particulars	2014	2013
Travelling and conveyance	266,037	578,028
Software maintenance	-	9,198
Legal and professional fees	1,365,150	229,028
Communication	3,620,556	3,858,833
Total	5,251,743	4,675,087



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2014

(Currency: Indian rupees)

19 Notes to accounts (Continued)

19.10 Prior year comparatives

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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





Mumbai

23-April-2014



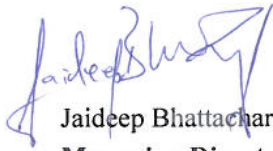
S.S. Mundra

Director



Jack Lin

Director



Jaideep Bhattacharya

Managing Director



Farhana Mansoor

Company Secretary