

INDEPENDENT AUDITOR'S 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 2017, the Statement of Profit and Loss and the Cash Flow Statement 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

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, of the state of affairs of the Company as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as



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

- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November 2016 of the Ministry of Finance, during the period from 8 November 2016 to 30 December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order/CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the CARO 2016.

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



Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)

MUMBAI, 21 April 2017
PG/SBS-2017

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Baroda Pioneer Asset Management Company Limited (the "Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the



preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)

MUMBAI, 21 April 2017
PG/SBS-2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of 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 fixed assets were physically verified during the year by the Management 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 Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and securities to which provision of section 185 and 186 of the Companies Act, 2013 apply and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the CARO 2016 is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including provident fund, income-tax, sales tax, service tax, custom duty, value added tax, cess and other material statutory dues applicable to it to the



appropriate authorities. According to the information and explanations given to us, excise duty and employees' state insurance dues are not applicable to the Company.

- (b) There were no undisputed amounts payable in respect of provident fund, income-tax, sales tax, service tax, customs duty, value added tax, cess and other material statutory dues in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty and Value Added Tax as on 31 March 2017 on account of disputes.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.
- (x) 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 by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.



- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)

MUMBAI, 21 April 2017
PG/SBS-2017

Baroda Pioneer Asset Management Company Limited

Balance sheet

as at 31 March 2017

(Currency: Indian rupees)

Particulars	Note No	31-Mar-17	31-Mar-16
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	3	880,440,640	880,440,640
(b) Reserves and Surplus	4	(384,688,688)	(395,414,030)
Non-Current Liabilities			
(a) Other long term liabilities	5	18,632,373	18,504,338
(b) Long term provisions	6	18,590,838	15,413,780
Current Liabilities			
(a) Trade payables	7		
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		73,558,885	78,763,115
(b) Other current liabilities	8	5,791,369	2,445,338
(c) Short-term provisions	9	2,654,859	2,306,033
Total		614,980,276	602,459,214
II. ASSETS			
Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		875,556	2,699,356
(ii) Intangible assets		892,588	1,418,261
(b) Non-current investments	11	53,010,051	53,010,051
(c) Long term loans and advances	12	35,560,853	46,632,416
(d) Other non current assets	13	-	219,000,000
Current assets			
(a) Current investments	14	248,100,000	236,503,380
(b) Trade receivables	15	17,029,496	15,931,579
(c) Cash and cash equivalent	16	231,690,173	11,333,029
(d) Short-term loans and advances	17	10,352,247	15,142,932
(e) Other current assets	18 & 23.1	17,469,312	788,210
Total		614,980,276	602,459,214

See accompanying notes to the financial statements.

In terms of our report attached.

For Deloitte Haskins and Sells LLP
Chartered Accountants

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

Anthony Heredia
Whole-time Director &
Chief Executive Officer
DIN-02205628

Sanjay Grover
Director
DIN-07217384

Kiran Deshpande
Chief Operating Officer &
Chief Financial Officer

Farhana Mansoor
Company Secretary

Mumbai
21-Apr-2017

Pallavi A. Gorakshakar
Partner



Baroda Pioneer Asset Management Company Limited

Statement of profit and loss for the year ended 31 March 2017

(Currency: Indian rupees)


Particulars	Note No	31-Mar-17	31-Mar-16
Revenue from operations	18	395,737,037	342,101,314
Other income	19	34,189,426	38,585,860
Total Revenue		429,926,463	380,687,174
Expenditure			
Employee benefit expenses	20	200,883,244	193,353,160
Depreciation and amortisation expense	9	2,673,829	4,590,297
Other Expenses	21	215,644,048	232,048,114
Total Expenses		419,201,121	429,991,571
Profit / (Loss) before tax		10,725,342	(49,304,397)
Provision for taxation			
- Income tax		2,235,000	-
- Mat credit entitlement		(2,235,000)	-
Profit / (Loss) for the year		10,725,342	(49,304,397)
Earning per equity share (Face value Rs. 10) Basic and Diluted	23.4	0.12	(0.56)

See accompanying notes to the financial statements.


In terms of our report attached.


For Deloitte Haskins and Sells LLP
Chartered Accountants

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


Anthony Heredia
Whole-time Director &
Chief Executive Officer
DIN-02205628


Sanjay Grover
Director
DIN-07217384


Kiran Deshpande
Chief Operating Officer &
Chief Financial Officer


Farhana Mansoor
Company Secretary


Pallavi A. Gorakshakar


Partner
CHARTERED
ACCOUNTANTS
Mumbai
21-Apr-2017

Mumbai
21-Apr-2017



Baroda Pioneer Asset Management Company Limited

Cash Flow Statement for year ended 31st March, 2017

	March 2017	March 2016
<u>Cash Flow from Operating Activities</u>		
Net Profit / (Loss) before taxation :	10,725,342	(49,304,397)
Adjustments for :		
Depreciation	2,673,829	4,590,297
Fixed Assets Write off	-	3,214
Profit on sale of investments	(15,571,371)	(14,984,920)
Interest on Bank Deposits	(17,591,694)	(23,535,053)
Scrap Sale	(5,000)	(39,000)
Operating Loss before working capital Changes :	(19,768,894)	(83,269,859)
Decrease / (Increase) in Current Assets and Non-Current Assets	17,047,203	7,331,170
Increase / (Decrease) in Current and Non-Current Liabilities	1,795,720	22,514,869
Cash used in Operations	(925,971)	(53,423,820)
Refund / (Payout) of Taxes	(2,282,872)	(4,825,907)
Cash Used in Operating Activities	(3,208,843)	(58,249,727)
<u>Cash generated from Investing activities</u>		
Interest on Bank Deposits	910,592	23,684,888
Purchase of Investments	(2,792,600,000)	(2,471,788,800)
Proceeds from Sale of Investments	2,796,574,751	2,477,666,184
Purchase of Fixed Assets	(324,356)	(2,051,096)
Sale of scrap	5,000	39,000
Fixed deposits placed	(11,845,575)	(229,934,983)
Fixed deposits matured	10,934,983	260,000,000
Net cash generated from Investing activities	3,655,395	57,615,193
Net Increase / (decrease) in cash and cash equivalents	446,552	(634,534)
Cash and Cash equivalents at the beginning of the year as per note 16	398,046	1,032,580
Cash and Cash equivalents at the end of the year as per note 16	844,598	398,046
Increase / (Decrease) in cash and cash equivalents	446,552	(634,534)

In terms of our report attached.

For Deloitte Haskins and Sells LLP
Chartered Accountants

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

Pallavi A Gorakshakar
Partner



Anthony Heredia
Whole-time Director &
Chief Executive Officer

DIN-02205628

Kiran Deshpande
Chief Operating Officer &
Chief Financial Officer



Sanjay Grover
Director

DIN-07217384

Fahana Mansoor
Company Secretary

Mumbai
21-Apr-2017

Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(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 PGAM) 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 specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

2.2 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits and short term deposits with banks with original maturities of three months or less from the date of acquisition and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

2. Significant accounting policies (Continued)

2.3 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 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) Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.
- d) During the previous year, method of depreciation was changed from Written down value Method to Straight Line Method as per the provisions of Companies Act, 2013 for Office Equipment and Furniture & Fixtures with the estimated useful life of five years. Mobile phones given the replaceable nature are depreciated in the year of purchase itself.
- 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.

Depreciation is calculated considering the useful life of asset as per schedule II of the Companies Act 2013 or any shorter useful life as estimated by the management in the table given below.

Class of asset	Rate of depreciation	Useful life
Furniture and fixtures	20%	5 years
Office equipment	20%	5 years
Computers including computer software	33.33%	3 years
Leasehold improvements	Over the period of lease or useful life, whichever is shorter	

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



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

2. Significant accounting policies (Continued)

h) *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.

The recoverable amount is greater of net selling price and their value in use. Value in use is arrived at by discounting the future cash flow to their present value based on an appropriate discounting factor.

2.5 *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 in accordance with the respective terms of contract with counter parties.

Other income

Interest income is accounted on accrual basis.

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.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

2. Significant accounting policies (Continued)

2.6 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.

NFO (New Fund Offer) Brokerage for close ended schemes is amortised over the period of the scheme.

2.7 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 and 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.

2.8 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. The Company has not issued any financial Instrument that entitles or may entitle its holder to acquire equity shares in future.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

2 Significant accounting policies (Continued)

2.9 Employee benefits

Employee benefits include provident fund, gratuity fund, compensated absences.

Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

2. Significant accounting policies (Continued)

2.10 Taxation

Taxes on income

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred Tax

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 exists 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 and items relating to capital 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.

2.11 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.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

2. Significant accounting policies (Continued)

2.12 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.

2.13 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.

2.14 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.

2.15 Share issue expenses

Share issue expenses are adjusted against the Securities premium account as permissible under Section 52 of the Companies Act, 2013.

2.16 Operating lease

Lease expenses on operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2017	As at 31 March 2016
3 Share capital		
Authorised		
100,000,000 (Previous year : 95,000,000) equity shares of Rs.10/- each	<u>1,000,000,000</u>	<u>950,000,000</u>
	<u>1,000,000,000</u>	<u>950,000,000</u>
Issued, subscribed and paid-up		
88,044,064 (Previous year : 88,044,064) equity shares of Rs.10/- each fully paid up	<u>880,440,640</u>	<u>880,440,640</u>
	<u>880,440,640</u>	<u>880,440,640</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, 2017		As at 31 March, 2016	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	88,044,064	880,440,640	88,044,064	880,440,640
No. of Shares allotted during the year	-	-	-	-
Outstanding at the end of the year	88,044,064	880,440,640	88,044,064	880,440,640

3.2 44,902,473 (Previous year : 44,902,473) 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, 2017		As at 31 March, 2016	
	No. of Shares	% held	No. of Shares	% held
Pioneer Global Asset Management S.p.A.,	44,902,473	51%	44,902,473	51%
Bank of Baroda and its nominees	43,141,591	49%	43,141,591	49%
Total	88,044,064		88,044,064	

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 During the period of 5 years immediately preceeding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash, bonus shares and has not bought back any equity shares.

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.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2017	As at 31 March 2016
4 Reserves and surplus		
Securities premium account		
Opening balance	396,166,239	396,166,239
Closing balance	396,166,239	396,166,239
Deficit in the statement of Profit and Loss		
Balance at the beginning of the year	(791,580,269)	(742,275,872)
Profit/(Loss) for the year	10,725,342	(49,304,397)
Balance at the end of the year	(780,854,927)	(791,580,269)
	<u>(384,688,688)</u>	<u>(395,414,030)</u>
5 Other long term liabilities.		
Bonus payable	18,632,373	18,504,338
	<u>18,632,373</u>	<u>18,504,338</u>
6 Long term provisions		
Provision for Employee Benefits		
Gratuity (Refer note 21.1)	11,280,254	8,788,798
Compensated Absences	7,310,584	6,624,982
	<u>18,590,838</u>	<u>15,413,780</u>
7 Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Payable to Vendor	9,513,374	15,991,020
Accrued expenses	11,748,113	16,744,388
Bonus payable	52,297,398	46,027,707
	<u>73,558,885</u>	<u>78,763,115</u>
There is no amount payable during the year by the Company to suppliers covered under The Micro, Small and Medium Enterprises Development Act, 2006. The above information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.		
8 Other current liabilities		
Statutory dues	5,791,369	2,445,338
	<u>5,791,369</u>	<u>2,445,338</u>
9 Short-term provisions		
Provision for Employee Benefits		
Gratuity (Refer note 21.1)	1,109,813	901,907
Compensated Absences	1,543,941	1,403,021
Provision for Tax [net of advance tax Rs. 63,800 (P.Y.Rs 63,800)]	1,105	1,105
	<u>2,654,859</u>	<u>2,306,033</u>



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

10 Fixed assets

Description	Gross block			Depreciation			Net block	
	As at 1 April 2016	Additions	Deductions	As at 31 March 2017	As at 1 April 2016	For the year	As at 31 March 2017	As at 31 March 2016
Tangible								
Computers	31,180,320 (34,657,829)	73,529 (491,634)	(3,969,143)	31,253,849 (31,180,320)	29,084,387 (29,792,550)	1,723,091 (3,260,980)	30,807,478 (29,084,387)	2,095,933 (4,865,280)
Furniture and fixtures	5,012,299 (4,810,066)	4,930 (202,233)	-	5,017,229 (5,012,299)	4,791,446 (4,653,977)	98,506 (137,469)	4,889,952 (4,791,446)	220,853 (156,089)
Office equipment	13,833,387 (14,529,428)	96,942 (319,534)	21,000 (1,015,575)	13,909,329 (13,833,387)	13,450,817 (13,986,735)	177,604 (476,443)	13,607,421 (13,450,817)	382,570 (542,693)
Leaseholds improvements	14,040,824 (14,040,824)	-	-	14,040,824 (14,040,824)	14,040,824 (14,040,824)	-	14,040,824 (14,040,824)	0 (0)
Total Tangible assets (A)	64,066,830 (68,038,147)	175,401 (1,013,401)	21,000 (4,984,718)	64,221,231 (64,066,830)	61,367,474 (62,474,086)	1,999,201 (3,874,892)	63,345,675 (61,367,474)	2,699,356 (5,564,062)
Intangible - other than internally generated								
Software	6,621,697 (5,584,002)	148,955 (1,037,695)	-	6,770,652 (6,621,697)	5,203,436 (4,488,031)	674,628 (715,405)	5,878,064 (5,203,436)	1,418,261 (1,095,971)
Total Intangible assets (B)	6,621,697 (5,584,002)	148,955 (1,037,695)	-	6,770,652 (6,621,697)	5,203,436 (4,488,031)	674,628 (715,405)	5,878,064 (5,203,436)	1,418,261 (1,095,971)
Total (A+B)	70,688,527	324,356	21,000	70,991,883	66,570,910	2,673,829	69,223,739	4,117,617
Previous year	(73,622,149)	(2,051,096)	(4,984,718)	(70,688,527)	(66,962,117)	(4,590,297)	(66,570,910)	(4,117,617)

Note 15 Previous year amounts disclosed in ().

2) During the year ended 31 March 2016, the Company has scrapped some of its old IT assets namely Servers, Blackberry phones & Laptops & E-Waste certificate has been obtained in this regard as per the Global policy norms.

3) The Company has capital commitments as at 31 March 2017 of Rs. Nil (previous year Rs. 9,000/-)



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2017	As at 31 March 2016
11 Non-current investments		
Mutual Fund units (Unquoted, Trade)		
330,000.000 (Previous year: 330,000.000) Units of Baroda Pioneer Credit Opportunities Fund- Plan B Growth of Rs. 10 each	3,300,000	3,300,000
374,736.747 (Previous year: 374,736.747) Units of Baroda Pioneer Dynamic Bond Fund - Plan B Growth of Rs. 10 each	5,000,000	5,000,000
175,619.652 (Previous year: 175,619.652) Units of Baroda Pioneer Gilt Fund- Plan B Growth of Rs. 10 each	3,965,000	3,965,000
312,972.97(Previous year: 312,972.97) Units of Baroda Pioneer Income Fund- Plan B Growth of Rs. 10 each	7,246,251	7,246,251
3,122.760 (Previous year: 3,122.760) Units of Baroda Pioneer Liquid Fund- Plan B Growth of Rs. 1,000 each	5,000,000	5,000,000
34,446.941 (Previous year: 34,446.941) Units of Baroda Pioneer MIP Fund- Plan B Growth of Rs. 10 each	650,000	650,000
144,357.404 (Previous year: 144,357.404) Units of Baroda Pioneer Short Term Bond Fund- Plan B Growth of Rs. 10 each	2,110,000	2,110,000
3,131.710(Previous year: 3,131.710) Units of Baroda Pioneer Treasury Advantage Fund- Plan B Growth of Rs. 1,000 each	5,000,000	5,000,000
64,135.454(Previous year: 64,135.454) Units of Baroda Pioneer Growth Fund - Plan B Growth of Rs. 10 each	5,000,000	5,000,000
598,802.395(Previous year: 598,802.395) Units of Baroda Pioneer Mid-Cap Fund - Plan B Growth of Rs. 10 each	5,000,000	5,000,000
196,529.065(Previous year: 196,529.065) Units of Baroda Pioneer Large Cap - Plan B Growth of Rs. 10 each	2,332,800	2,332,800
220,271.941(Previous year: 220,271.941) Units of Baroda Pioneer Banking And Financial Services Fund - Plan B Growth of Rs. 10 each	3,564,000	3,564,000
47,697.974(Previous year: 47,697.974) Units of Baroda Pioneer Balance Fund - Plan B Growth of Rs. 10 each	2,072,000	2,072,000
74,602.747(Previous year: 74,602.747) Units of Baroda Pioneer ELSS 96 - Plan B Growth of Rs. 10 each	2,770,000	2,770,000
	53,010,051	53,010,051

The aggregate book value and market value of investments is as follows.

Unquoted investments in Mutual Funds		
- Aggregate book value	53,010,051	53,010,051
- Aggregate market value	62,220,864	53,423,526

11.1 Market value of investments in unquoted Mutual Funds represents repurchase price of units issued by the Mutual Fund.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2017	As at 31 March 2016
12 Long term loans and advances (Unsecured, Considered good)		
Security Deposits	18,048,629	25,551,629
Advance tax [net of provisions Rs. 4,627,800 (P.Y Rs. 2,392,800)]	15,201,796	15,153,924
MAT credit	2,235,000	-
Prepaid expenses	75,428	5,926,863
	<u>35,560,853</u>	<u>46,632,416</u>
13 Other non current assets		
Bank deposits for more than one year (Refer note 23.1)	-	219,000,000
	<u>-</u>	<u>219,000,000</u>
14 Current investments		
Mutual Fund units (Unquoted, Non trade)		
132,869.468 (Previous year: 136,308.739) units of Baroda Pioneer Liquid Fund Growth -Plan B of Rs. 1,000 each	248,100,000	236,503,380
	<u>248,100,000</u>	<u>236,503,380</u>
The aggregate book value and market value of investments is as follows.		
Unquoted investments in Mutual Funds		
- Aggregate book value	248,100,000	236,503,380
- Aggregate market value	248,468,416	237,257,655

14.1 Market value of investments in unquoted Mutual Funds represents repurchase price of units issued by the Mutual Fund.

14.2 Current investments are carried at lower of cost and market value.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2017	As at 31 March 2016
15 Trade receivables		
(Unsecured, considered good, outstanding for the period less than six months from the date they were due for payment)		
Management fees receivable	15,111,140	13,095,288
Advisory and research fees receivable	1,918,356	2,836,291
	<u>17,029,496</u>	<u>15,931,579</u>
16 Cash and cash equivalent		
Cash in hand	44,723	14,186
Balance with banks (Refer note 23.1)	<u>799,875</u>	<u>383,860</u>
Total cash and cash equivalent as per AS 3 Cashflow Statement A.	844,598	398,046
Other bank balance (Refer note 23.1)		
Bank deposits with original maturity more than 3 months	230,845,575	10,934,983
B.		
Total A+B	<u>231,690,173</u>	<u>11,333,029</u>

Pursuant to the notification issued by the Ministry of Corporate Affairs dated March 30, 2017, the disclosure of transactions in specified bank notes (SBNs) during the period November 8, 2016 to December 30, 2016 is as follows;

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	11,000	6,217	17,217
(+) Permitted receipts	-	-	-
(+) Withdrawn from Bank	-	26,500	26,500
(-) Permitted payments	-	(26,560)	(26,560)
(-) Amount deposited in Banks *	(11,000)	-	(11,000)
Closing cash in hand as on December 30, 2016	-	6,157	6,157

* Amount deposited in Bank includes SBNs exchanged with Bank to the extent of Rs. 4500/- as per RBI notification number DCM (Plg) No.1226/10.27.00/2016-17 dated November 8, 2016

17 Short-term loans and advances		
Service tax Input Credit	936,805	2,594,418
Advances to contractors (Refer note 17.1)	120,557	2,379,838
Prepaid expenses	9,294,885	10,168,676
	<u>10,352,247</u>	<u>15,142,932</u>

17.1 Other commitment amounting to Rs. Nil (Previous year : Rs. 594,960/-)

18 Other current assets

Interest accrued but not due on bank deposits (Refer note 23.1)	17,469,312	788,210
	<u>17,469,312</u>	<u>788,210</u>



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	Current Year	Previous Year
19 Revenue from operations		
Management fee	385,529,343	329,834,078
Investment advisory and research fee (Refer Note 23.1 and 23.7)	10,207,694	12,267,236
	<u>395,737,037</u>	<u>342,101,314</u>
20 Other income		
Interest on Bank deposits (Refer note 23.1)	17,591,694	23,535,053
Profit on sale of current investment	15,571,371	14,984,920
Interest on income tax refund	960,271	-
Exchange gain	52,158	-
Other Non operating Income	13,932	65,887
	<u>34,189,426</u>	<u>38,585,860</u>
21 Employee benefit expenses		
Salaries, bonus and allowances (Refer note 23.8)	184,163,734	177,051,439
Contribution to provident fund	9,356,439	8,905,333
Staff welfare (Refer note 23.8)	4,609,494	4,565,053
Gratuity	2,753,577	2,831,335
	<u>200,883,244</u>	<u>193,353,160</u>

- 21.1 The following disclosures have been set out in accordance with the requirement of Accounting Standard 15 on "Employee Benefits" as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014

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	7.10%	7.80%
Salary growth rate	5.00%	6.00%
Normal retirement age	60 years	60 years
Attrition rate	10.00%	10.00%
	Indian Assured	Indian Assured
	Lives Mortality	Lives Mortality
	(2006-08) Ult	(2006-08) Ult
	table	table
Mortality rate		

Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary Escalation Rate

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



Baroda Pioneer Asset Management Company Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	Current Year	Previous Year
22 Other expenses		
Rent	20,974,221	21,467,690
Legal and professional fees (Refer note 23.1 and 23.8)	5,056,625	5,807,527
Outsource scheme related expenses	55,532,730	50,489,727
Travelling and conveyance (Refer note 23.8)	5,021,206	6,116,703
Printing and stationery	7,533,077	7,096,782
Contract staff charges	47,502,777	45,674,953
Repairs and maintenance - others	2,646,340	2,921,954
Communication (Refer note 23.1 and 23.8)	6,267,627	5,835,733
Electricity charges	3,579,424	3,835,230
Advertisement and publicity	1,471,356	2,487,656
Information technology	19,857,823	18,666,624
Membership and registration fees (Refer note 23.8)	6,798,200	5,170,641
Director sitting fees	286,425	230,375
Marketing expenses (Refer note 23.8)	6,493,393	12,427,827
Brokerage (Refer note 23.9)	10,662,375	26,831,981
Insurance expenses	609,072	783,154
Fund accounting expenses	4,959,337	4,775,190
Scheme related expenses	586,905	2,882,745
Postage, Freight, Couriers	3,865,937	3,188,839
SEBI and other fees	1,806,306	1,337,601
Recruitment and consultancy charges	3,016	324,756
Auditors Remuneration		
-Statutory audit fees	830,500	750,000
-Tax audit fees	400,000	400,000
-For reimbursement of expenses	13,281	5,975
-Swachh bharat cess	5,750	1,250
Miscellaneous expenses	2,880,345	2,537,201
	215,644,048	232,048,114



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

23 Notes to accounts

23.1 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
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. Anthony Heredia – CEO & Director (From 3rd August 2015)

Mr. Oliver Bilal – CEO & Director (up to 17th April 2015)



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

23 Notes to accounts (Continued)

(E) Transactions with related parties

Particulars	2017	2016
Income		
1. Pioneer Investment Management Limited - Investment advisory & research income	10,207,694	12,267,236
Recovery of costs		
1. Pioneer Global Asset Management S.p.A - Recovery of Deputation personnel costs	-	1,833,358
Expense		
1. Pioneer Global Asset Management S.p.A - Professional fees (allocated support charge) (Refer note 22.2)	1,462,581	1,166,362
2. Key management personnel		
Oliver Bilal		
- Salary, bonus and allowances	-	506,061
- Perquisites	-	287,085
Anthony Heredia		
- Salary, bonus and allowances	16,976,004	11,210,196
- Perquisites	24,000	15,871

(F) Balances with related parties

Particulars	2017	2016
Assets		
Pioneer Investment Management Limited	1,918,356	2,836,291
Liabilities		
Pioneer Global Asset Management S.p.A - Professional expenses	250,279	194,323

Note 1: The above excludes transactions in the ordinary course of business with Bank of Baroda such as fixed deposit, interest thereon, current account etc.

23.2 Professional fees

Professional fees in note 22.1 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.



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

23 Notes to accounts (Continued)

23.3 Deferred taxation

Particulars	2017	2016
Deferred tax assets		
Provision for gratuity	3,413,773	2,994,428
Provision for leave encashment	2,439,643	2,480,653
Provision for bonus	5,133,685	5,717,840
Carried forward loss as per the Income-tax Act	204,852,143	263,631,270
Depreciation on fixed assets	16,494,121	3,925,995
Deferred tax assets (net)	232,333,365	278,750,186
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.

23.4 Earnings per share

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

	2017	2016
Earning per share		
Net Profit / (Loss) after tax attributable to equity shareholders (A) - Rs.	10,725,342	(49,304,397)
Weighted average number of shares of face value Rs. 10 each (B)	88,044,064	88,044,064
Basic / Diluted Profit / (Loss) per share of face value of Rs.10 for the year (A) / (B)- Rs.	0.12	(0.56)



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)

23 Notes to accounts (Continued)

23.5 Unhedged foreign currency exposure

The unhedged foreign currency exposure as on 31 March 2017 is given below:

	2017		2016	
	Foreign currency	Indian rupee	Foreign currency	Indian rupee
Payables				
Euro	3,620	250,279	2,589	194,323
Receivables				
Euro	27,748	1,918,356	37,788	2,836,291
Cash in hand				
Australian dollar	-	-	6	304
Hong Kong dollar	-	-	61	519

23.6 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.

23.7 Earnings in foreign exchange (on accrual basis)

Particulars	2017	2016
Investment advisory and research fee	10,207,694	12,267,236
Deputation charges recovered	-	14,495

23.8 Expenditure in foreign exchange (on accrual basis)

Particulars	2017	2016
Salaries, bonus and allowances	-	253,031
Travelling and conveyance	-	201,362
Legal and professional fees	1,462,581	1,166,362
Communication	-	3,726
Membership and registration fees	-	243,680
Event expenses	-	22,000
Total	1,462,581	1,890,160

23.9 Brokerage

Brokerage Expense is net of reversal of provision amounting Rs.55,00,000/- (Rupees Fifty Five Lakhs) relating to earlier years sales campaign (Previous year Rs.Nil).



Baroda Pioneer Asset Management Company Limited

Notes to the financial statement (Continued)

for the year ended 31 March 2017

(Currency: Indian rupees)


24 Prior year comparatives

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

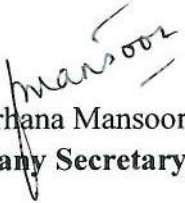
For and on behalf of the Board of Directors
Baroda Pioneer Asset Management Company Limited




Anthony Heredia
**Whole-time Director &
Chief Executive Officer**
DIN - 02205628


Kiran Deshpande
**Chief Operating Officer &
Chief Financial Officer**


Sanjay Grover
Director
DIN - 07217384


Farhana Mansoor
Company Secretary

Mumbai
21-Apr-2017

