



BNP PARIBAS ASSET MANAGEMENT INDIA PRIVATE LIMITED

CIN: U65991MH2003PTC142972

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DIRECTORS' REPORT

Dear Members,

Your Directors take great pleasure in presenting the 17th Annual Report on the business and operations of your Company together with the Audited statement of Accounts for the Financial Year ended March 31, 2020 (FY 2019-20).

1. FINANCIAL HIGHLIGHTS:

(Amount in Rs.)

Particulars	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
Total Income	479,508,231	961,193,985
Total Expenses	564,654,261	947,224,239
Profit/(Loss) before Tax	(85,146,030)	13,969,746
Provision for Tax (including Current and Deferred Tax)	(1,695,424)	(1,927,046)
Profit/(Loss) after Tax	(83,450,606)	15,896,790

During the year under review, gross revenue stood at Rs. 479.51 million over the previous year of Rs. 961.19 million. The costs and expenses stood at Rs. 564.65 million over the previous year of Rs. 947.22 million. Consequently, the Pre-tax loss was Rs. 85.15 million as against Pre-tax profit of Rs. 13.97 million during the previous financial year.

The figures mentioned for the FY 2019-20 are not fully comparable with the previous year (PY) since there were regulatory changes (w.e.f. 22 October 2018) leading to change in accounting of booking all distribution commission expenses in scheme books. This led to reduction in both management fees earned and distributor commission expenses impacting the financials of the company.

2. APPROPRIATIONS

In view of the losses incurred by the Company for the year under consideration, no amount has been transferred to reserves.

3. DIVIDEND:

The Board does not recommend paying a dividend on equity shares of the Company for the financial year under consideration.

4. STATE OF COMPANY'S AFFAIRS:

Your Company is registered with Securities and Exchange Board of India (SEBI) to act as an Asset Manager to the Schemes of BNP Paribas Mutual Fund under the SEBI (Mutual Funds) Regulations, 1996. Further, your Company also provides services as a Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993. The operational highlights for the two lines of businesses i.e. Mutual Fund and Portfolio Management are as follows:



OPERATIONAL HIGHLIGHTS:

Mutual Fund:

BNP Paribas Mutual Fund ('the Fund') commenced its operations in August, 2004. As on March 31, 2020, the Fund managed 17 Schemes with Net Assets under Management (NAUM) of Rs. 59,595.75 million, registering a decrease of ~12.13%, from Rs. 67,821.9 million as on March 31, 2019 due to high redemptions and low inflows during the financial year. The schemes are a mix of Equity, Debt and Hybrid.

Portfolio Management:

Your Company has been providing Portfolio Management Services since September 26, 2006. As on March 31, 2020, the Net Assets under Management (NAUM) are Rs. 706.21 million as against Rs. 1,475.9 million as on March 31, 2019. The Portfolio Manager also provides Advisory Services to offshore clients. The NAUM of Advisory Services was Rs. 20,450 million as on March 31, 2020 as against Rs. 24,270 million as on March 31, 2019.

5. FUTURE OUTLOOK:

Financial year 2019-20 (FY 2020), has been a challenging one for India, with GDP growth slowing down, heightened inflation, weak consumer sentiments, slow investment cycle by corporates, increase in banking NPAs and multiple regulatory changes across sectors. Slowing global economic activity too has not helped our exports. Through FY 2020 the government implemented a host of reforms to address the slowdown. Prominent amongst those was the cutting of corporate tax rates. However, the COVID-19 outbreak led to a lockdown and severely affected businesses across sectors since March 2020.

The COVID-19 pandemic is one of the few episodes in recorded history where all of humanity faces a common existential threat. Within four months, the virus has spread around the world and imperiled not just our health and wellbeing, but also our social and economic networks. The pandemic poses a unique challenge to financial markets. Finance is not at the core of this issue but is surely impacted by this health hazard to humanity in general.

Nevertheless, all crises are also opportunities for radical reform, for re-aligning priorities, and for tweaking policies in pursuit of the greater common good. India's economic reform of the early nineties was forced onto the nation on the back of a public-finance crisis. Today, the convergence of two perfect storms, the pandemic and the geopolitics-driven disruptions recently seen in global trade and investment flows, may be India's opportunity to become one of the key nodes of the global value chain.

The rigorous national lockdown has succeeded in slowing the spread of the virus and the government's current outlook is to open the country for business in a carefully calibrated manner, focusing on reviving sectors like agriculture, manufacturing, and services; while isolating geographic hotspots and vulnerable groups.

India's demographics, the scale of its economy, easing of FDI norms, digital infrastructure, etc., is providing opportunities for long-term investments into the country. While the Indian government has envisioned some land, labor and capital reforms, deeper structural reforms maybe required. India will also need to address the infrastructure gap and invest in social sectors to bridge the skills gap. In near term, a few large strategic deals announced in the midst of the lockdown could create a stable ground for attracting investment into India for large global corporations.

The economic situation of India is evolving and the exact impact of coronavirus on growth is difficult to assess. If its spread is contained within a few weeks, the impact on growth can be limited to Q1 of FY 2020-21. Also, short-term recovery post lockdown would depend on stimulus measures announcement by global central banks and Indian government's response to kick start the economy. While India is not insulated from the near term impact of



the virus, India stands to benefit from reintegration of global supply chains post the virus. India is uniquely placed amongst global economies and major emerging markets. Economies that have high dependence on exports are net oil exporters. India on the other end is a net importer of oil and stands to gain significantly due to fall in oil prices. India is still emerging as far as its export potential is concerned, compared to other emerging markets. In the current circumstances, US\$5 trillion GDP by 2025 goal for India looks a little far-fetched. Given its strong demographics, export potential, domestic consumption growth and low cost of production, India's potential to achieve this GDP target with a slight delay, would put it amongst the fastest growing economies in the world.

Mutual Fund Industry Overview:

The Average Assets managed by the Indian mutual fund industry have grown from Rs.24.58 trillion in FY 2019 to Rs. 24.71 trillion in FY 2020. That represents a 0.52% growth in assets over March 2019. As on March 2020, the equity schemes have the largest number of folios of approximately 643 lakh, which constitutes nearly 72% share of the total number of folios. This is followed by hybrid schemes with 95.7 lakh folios and debt schemes with 71.8 lakh folios. The remaining folios are in solution oriented and other schemes. The proportionate share of equity-oriented schemes (includes equity and balance schemes) is now 39.7% of the industry assets in FY 2020, down from 42.5% in March FY 2019. The share of fixed income oriented schemes (debt, liquid, and money market) is 53.5% in FY2020, up from 52.3% in March FY19 of industry assets. Individual investors now hold marginally lower share compared to FY 2019, i.e. 52.2% in FY 2020 compared with 55.1% in FY 2019. Institutional investors account for 47.8% of the assets, of which corporates are 93%. The rest are Indian and foreign institutions and banks.

Distribution Network:

BNP Paribas Asset Management India Private Limited ('the AMC') has 9,090 empanelled distributors as on March 31, 2020 as against 8,202 as on March 31, 2019, a growth of 11% attributed to the increase in engagement of the concept of virtual RM and digital empanelment of distributors.

Investor Education Activity:

During the FY 2019-20, your Company carried out various investor education programs across the country and also through digital media. These were focused on helping existing and prospective investors break myths and barriers around mutual fund products and educate them about this investment vehicle.

New Initiatives:

One of the key initiatives, as part of servicing the growing investor and distributor base, was the movement of the registrar and transfer agent (RTA) services to KFin Technologies Private Limited (Erstwhile Karvy MFS). Along with this change, various feature enhancements were implemented throughout the year and the following services were enabled for investors and distributors:

- **Investor(s) Digital Transactions & Servicing:** Updated transaction portal and mobile app enabling complete paperless transacting experience. New investors can now make initial purchases without waiting for a folio number. Host of other non-commercial transactions including various statements of accounts, portfolio statements, capital gain statements are also available.
- **Digital Enhancements for Distributors:** The distributor initiated transaction (DIT) feature launched last year was further enhanced to create a dedicated investor specific link for a wide array of transactions, including registration of new systematic investment plans (SIP). Further, there is a dedicated mobile app of the RTA for the distributors with features such as DIT, mail-back reports, commission details, etc.
- **Increased Participation on key digital platforms:** For Registered Investment Advisors (RIA) / Distributor: Industry wise distributor platform (FINNET), Indian Commodity Exchange Limited, Times Internet, etc.
- **Official Facebook Page** was launched to increase the reach and awareness for brand BNP Paribas Mutual Fund on social media. Campaigns primarily highlighted the brand's 'Changing World' philosophy, BNP



Paribas Legacy, Product USPs and Performance. During the FY 2019-20, the BNPP MF Facebook page had achieved the following statistics:

- 55,000+ strong community
- 5 Million+ Users reached
- 5.3 Lakh+ Video Views
- 1.75 Lakh+ Engaged Users
- Sustained **Digital Marketing** activities were undertaken:
 - Search Engine Marketing and Optimization
 - Digital Advertising across key industry portals and websites
 - Email and SMS marketing activity
 - Content Creation and Promotion on the official YouTube Channel

Future Plans of the Company:

In its onward journey, the AMC will continue to focus on harnessing the digital platforms/tools to communicate effectively to a wider investor and partner base and further enhance the investment and transaction experience for them:

1. A host of features, including the **SIP Pause Facility** (for investors to pause their SIP instalments for a stipulated duration), **Market linked trigger facility** (for investors to switch funds from one scheme to another at a pre-specified market fall condition) etc. will be enabled for investors to cope with the changing market conditions.
2. **IFA Co-Branding Facility for Key Messaging:** IFAs and Distributors will now have access to personalised cobranded content related to BNP Paribas Mutual Fund products and Investor Education and Awareness, sent to them via SMS for easy receipt and sharing.

Proposed Amalgamation:

Bank of Baroda (‘BOB’) and BNP Paribas Asset Management Asia Ltd (‘BNP Asia’) have signed binding agreements on October 11, 2019 to merge their Asset Management and Trustee Companies in India. As a result, FY 2020-21 will witness the completion of the proposed merger, subject to regulatory and other legal approvals, of Baroda Asset Management India Limited, a wholly-owned subsidiary of Bank of Baroda into your Company, a wholly-owned subsidiary of BNP Paribas Asset Management Asia Limited. Thus, your Company shall be the Surviving AMC. Until, the completion of the merger, both existing AMCs will continue to operate as independent entities. The integration process will continue within the regulatory and legal framework.

6. BOARD OF DIRECTORS AND AUDIT COMMITTEE MEETINGS:

● **BOARD OF DIRECTORS:**

The Members are requested to note the following changes in the composition of the Board of Directors of your Company (“the Board”) during the financial year under consideration:

1. Mr. Anand Shah tendered his resignation as a director of the Company with effect from close of business hours of October 03, 2019.
2. Mr. Ninad Karpe tendered his resignation as a director of the Company with effect from November 29, 2019.

As on date, the constitution of the Board is as follows:

Name of Director	Designation
Mr. Chandan Bhattacharya	Independent Director * & Chairman
Mr. Sanjay Sachdev	Independent Director *
Mr. Sharad Sharma	Managing Director & CEO
Mr. Rakesh Vengayil	Associate Director

*Independent Directors according to the requirement of SEBI (Mutual Funds) Regulations, 1996.



• **AUDIT COMMITTEE:**

The Audit Committee acts as a link between the statutory and internal auditors and the Board. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and statutory activities.

Your Company is not required to constitute an Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013. However, for obtaining operational efficiency and ensuring compliance with various applicable laws and regulations, your Board has constituted an Audit Committee.

As on date, the constitution of the Audit Committee is as follows:-

Name of Member	Designation
Mr. Chandan Bhattacharya	Independent Director * & Chairman
Mr. Sanjay Sachdev	Independent Director *
Mr. Sharad Sharma	Managing Director & CEO
Mr. Rakesh Vengayil ^	Associate Director

* Independent Directors according to the requirement of SEBI (Mutual Funds) Regulations, 1996.

^ He was appointed as Member of the Audit Committee with effect from January 31, 2020.

• **BOARD AND AUDIT COMMITTEE MEETINGS:**

The Members are informed that the Board met 5 times during the FY 2019-20 i.e. on April 26, 2019, July 30, 2019, October 03, 2019, October 29, 2019 and January 30, 2020 and the Audit Committee met 4 times during the FY 2019-20 i.e. on April 26, 2019, July 30, 2019, October 29, 2019 and January 30, 2020.

Details of Board and Audit Committee meetings attended by the Directors during the financial year ended March 31, 2020 are as below:

Sr. No.	Name of the Director	Board meetings attended (out of 5 meetings held)	Audit Committee meetings attended (out of 4 meetings held)
1.	Mr. Chandan Bhattacharya	5	4
2.	Mr. Ninad Karpe	3*	2*
3.	Mr. Sanjay Sachdev	5	4
4.	Mr. Sharad Sharma	5	4
5.	Mr. Anand Shah	2#	^N.A
6.	Mr. Rakesh Vengayil	4	^N.A

*Mr. Ninad Karpe tendered his resignation as a director of the Company with effect from November 29, 2019.

#Mr. Anand Shah partially attended one of the meeting held on October 03, 2019 at which he tendered his resignation as a director to the Board.

^N.A. - Not Applicable as Mr. Anand Shah was not a member of the Audit Committee and Mr. Rakesh Vengayil was appointed as Member of the Audit Committee with effect from January 31, 2020.

7. DIRECTORS RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory auditors and external consultant(s) and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2019-20.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge, confirm that:



- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a 'going concern' basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There were no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. However, during the year, SEBI vide its Show cause Notice (SCN) bearing reference no. SEBI/HO/EAD-3/JS/DJ/OW/P/3577/ 1/2019 dated May 29, 2019 had alleged that your Company had traded in the scrip of Manappuram Finance Limited when in possession of Unpublished Price Sensitive information in violation of Section 12A(d) and 12A(e) of the SEBI Act, 1992 read with Regulation 3(i), 3A and 4 of the SEBI (Prohibition of Insider Trading) Regulations, 1992 read with Regulation 12(2) of (Prohibition of Insider Trading) Regulations, 2015. A reply to the said SCN denying the allegations stated therein was filed by your Company with SEBI. Thereafter, an opportunity of personal hearing was granted on October 01, 2019 by SEBI and your Company availed the same. Upon considering the representations made by your Company, SEBI, vide its order dated March 26, 2020, disposed off the SCN in the matter without any penalty for your Company.

9. BOARD'S INDEPENDENCE:

The Board of your Company has Independent Directors according to the requirement of SEBI (Mutual Funds) Regulations, 1996. Your Company is not required to appoint Independent Directors pursuant to Section 149(7) of the Companies Act, 2013.

10. NOMINATION AND REMUNERATION COMMITTEE:

Your Company is not required to constitute a Nomination and Remuneration Committee pursuant to the provisions of Section 178 of the Companies Act, 2013.

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

In terms of Section 135 of Companies Act 2013, your Company has formed a Corporate Social Responsibility (CSR) Committee of Directors to decide the activities to be undertaken, expenditure to be incurred and to monitor the performance of the CSR activities undertaken by your Company. A brief outline on the CSR Policy of your Company and other details is annexed herewith as **Annexure A**.

12. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Your Company does not have any Subsidiary, Joint Venture or Associate Company.



13. DEPOSITS:

Your Company has neither accepted deposits from the public nor renewed any deposits during the financial year under consideration.

14. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Internal Financial Controls with reference to financial statements, as designed and implemented by the Company, are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

15. COMMENTS ON AUDITORS' REPORT:

There are no qualifications, reservations or adverse remarks made by M/s. Kalyaniwalla & Mistry LLP, Statutory Auditors, in their report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Board for the financial year under consideration.

16. EXTRACT OF ANNUAL RETURN:

The details, forming a part of the extract of the Annual Return as on March 31, 2020 in form MGT 9, are annexed herewith as Annexure B.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Your Company has not provided any loans and guarantees or made any investments pursuant to Section 186 of the Companies Act, 2013.

18. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company. Accordingly, the disclosure of Related Party Transactions as required pursuant to Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2, prescribed in Rule 8(2) of the Companies (Accounts) Rules, 2014, is not applicable.

19. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

As stated above in the Future Plans of the AMC, the year FY 20-21 will also witness the completion of the proposed amalgamation between Baroda Asset Management India Limited, a wholly-owned subsidiary of Bank of Baroda and BNP Paribas Asset Management India Private Limited, a wholly-owned subsidiary of BNP Paribas Asset Management Asia Limited, subject to regulatory and other legal approvals, with your Company being the Surviving AMC.

20. AUDITORS:

In accordance with Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Registration No. 104607W/W100166) have been appointed as the Statutory Auditors of the Company for a term of 5 years till the conclusion of the 21st AGM on such terms and conditions and remuneration as may be decided by the Board.



21. PARTICULARS OF EMPLOYEES:

Details of top ten Employees in terms of remuneration and Employees drawing remuneration not less than Rs. 1,02,00,000 throughout the Financial Year or for part thereof drawing remuneration not less than Rs. 8,50,000 per month or drawing remuneration in excess of that drawn by the Managing Director/Whole Time Director/Manager and holds 2% of equity shares himself/herself and/or with his/her spouse and dependent children, shall be available at the Company's registered office for inspection by the Members.

22. PREVENTION OF SEXUAL HARRASMENT OF WOMEN AT WORKPLACE:

In accordance with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has adopted a policy on prohibition of sexual harassment at workplace. An Internal Complaints Committee (ICC) has been setup to redress complaints received regarding sexual harassment. The ICC members are trained and made aware of their roles and responsibilities. Regular staff awareness sessions are conducted to generate awareness about the policy, reporting mechanism and prevention of Sexual harassment at workplace. There were no cases filed of any sexual harassment by any employee (permanent, temporary, contractual or trainees) including visitors or other non-employee during the year under review.

23. MAINTENANCE OF COST RECORDS:

The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by your Company and accordingly, the requirement is not applicable for your Company.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A) Conservation of Energy:

- i. the steps taken or impact on conservation of energy~:
- ii. the steps taken by the company for utilising alternate sources of energy~:
- iii. the capital investment on energy conservation equipments~:

~In view of the nature of business activities of your Company, the operations of your Company do not consume high levels of energy. Adequate measures have been taken to conserve energy wherever feasible. As energy costs form a very small part of the total costs, the impact on cost is not material.

B) Technology Absorption:

- i. the efforts made towards technology absorption: Your Company is committed to providing value added services and a number of digital initiatives have been launched during the financial year.
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: These digital initiatives have been led by various innovative products designed for various stakeholders (distributors, investors and sales team) and have helped your Company in increasing its digital footprint with minimal costs around technology infrastructure and human resources.
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development: Nil.



C) Foreign Exchange Earnings and Outgo:

The details of Foreign Exchange earned in terms of actual inflows during the FY 2019-20 was Rs. 74.71 million as against Rs. 97.68 million in the previous year and the Foreign Exchange outgo in terms of actual outflows during the FY 2019-20 was Rs. 13.06 million as against Rs. 49.59 million in the previous year.

25. RISK MANAGEMENT POLICY AND INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks. Major risks identified by the business are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors report to the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of an internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of the Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations, if any and corrective actions thereon are presented to the Audit Committee of the Board.

26. ACKNOWLEDGEMENT:

The Board would like to place on record their gratitude for all the guidance and co-operation received from the Central and State Governments, Securities and Exchange Board of India (SEBI), Association of Mutual Funds in India (AMFI), Reserve Bank of India (RBI), Financial Intelligence Unit (FIU), and other valuable Regulators.

The Board would like to take this opportunity to express their appreciation towards the Company's Bankers, Custodians, Stock Exchanges, Registrar & Transfer Agents, Brokers, Distributors & Agents and other valuable associates. Further, they would like to recognize and place on record their appreciation for the contribution, dedication & commitment made by each and every employee.

We look forward to the same support & commitment from all our Stakeholders as we continue our journey towards Secured, Sustainable & Profitable Growth.

27. CAUTIONARY NOTE:

The statements forming a part of the Directors' Report may contain certain forward-looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future outlook, performances, or achievements that may be expressed or implied by such forward looking statements.

For and on behalf of the Board of Directors

BNP Paribas Asset Management India Private Limited

CHANDAN
BHATTACHA
RYA

Digitally signed by
CHANDAN
BHATTACHARYA
Date: 2020.05.25
16:58:10 +05'30'

Sharad Kumar
Sharma

Digitally signed by
Sharad Kumar Sharma
Date: 2020.05.25
15:15:34 +05'30'

Place: Mumbai
Date: May 25, 2020

Mr. Chandan Bhattacharya
Chairman
(DIN: 01341570)

Mr. Sharad Sharma
Managing Director & CEO
(DIN: 01586742)



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

As prescribed under section 135 of the Companies Act, 2013 and
Companies (Corporate Social Responsibility) Rules, 2014

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Your Company is a part of the BNP Paribas Group. For BNP Paribas Group, implementing its CSR policy means financing the real economy, while striving to protect the environment and fighting against exclusion. Accordingly, CSR activities of your Company shall be aligned with the Group's policy, which will be in line with the activities listed in schedule VII of Section 135 of the Companies Act, 2013. Your Company through its CSR activities intends to support programmes/projects and activities from among the areas of Education, Gender equality and Women's Empowerment, Art & Culture, Environment, Healthcare and Rural Development.

The CSR policy also defines the roles and responsibilities of the members of the CSR Committee and its composition. The Committee is responsible for the preparation and implementation of the CSR Policy, review and approval of budgets, developing a monitoring framework for implementation and the preparation of the Annual CSR Report.

The CSR Policy may be accessed on your Company's website at the link

<https://www.bnpparibasmf.in/assets/pdf/downloads/Corporate-Social-Responsibility-CSR-Policy-website-AM.pdf>

Projects or programs undertaken under the CSR Policy:

- Supporting Aseema Charitable Trust's Kherwadi Municipal School towards holistic support for each class adopted.
- Supporting BNP Paribas India Foundation's group CSR programme

2. The Composition of the CSR Committee ^:

Name	Representation in CSR Committee
Sharad Sharma, Managing Director & CEO	Chairman
Chandan Bhattacharya, Independent Director	Committee Member
Rakesh Vengayil, Associate Director *	Committee Member

* He was appointed as a member of CSR Committee w.e.f October 22, 2019

^ Consequent to resignation as a Director w.e.f close of business hours on October 03, 2019, Anand Shah also ceased to be a member of CSR committee.

3. Average net profit of the Company for last three financial years: Rs. 76,946,174/-

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): Rs. 1,538,924/-

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: Rs. 1,538,924/-

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State & district where projects or a program was undertaken	Amount outlay (budget /limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.) *		Cumulative expenditure upto to the reporting period (in Rs.)	Amount spent: Direct or through implementing agency
					Direct expenditure	Overheads		
1	Support for Kherwadi Municipal School	Education	Bandra East, Mumbai	1,253,000	1,253,000	-	1,253,000	Implementing agency - Aseema Charitable Trust



(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State & district where projects or a program was undertaken	Amount outlay (budget /limit) project or programs wise (in Rs.)	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs. (2) Overheads: (in Rs.) *		Cumulative expenditure upto to the reporting period (in Rs.)	Amount spent: Direct or through implementing agency
					Direct expenditure	Overheads		
2	BNP Paribas' group CSR Programme	Education, Women Empowerment, Art & Culture and Environment	Mumbai	269,520	256,044	13,476	269,520	Implementing agency – BNP Paribas India Foundation
3	Project Implementation and Support	Education	Mumbai	16,404	-	16,404	16,404	Direct
	Total			1,538,924	1,509,044	29,880	1,538,924	

* The amounts have been contributed to the implementing partners on the basis of set milestones. Thus, as on March 31, 2020, certain amounts may not have been fully spent by the implementing partners.

Details of implementing agency(ies):

- I. **Aseema Charitable Trust:** Aseema Charitable Trust is a Mumbai based non-governmental organization with a mission to equip children from marginalized communities with high quality, value based education enabling development of their limitless potential. In Mumbai, Aseema works in partnership with the Municipal Corporation of Greater Mumbai (MCGM) to create centres of excellence within the public education system.
 - II. **BNP Paribas India Foundation:** BNP Paribas India Foundation is the central Foundation in India established to undertake the BNP Paribas' collective CSR vision focusing on education, gender equality, women's empowerment, art and culture and environment.
6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: During the year, the company has spent the entire amount required to be spent on CSR activities
 7. **Responsibility Statement:** The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of your Company.

For BNP Paribas Asset Management India Private Limited

Sharad Kumar
Sharma

Digitally signed by
Sharad Kumar Sharma
Date: 2020.05.25
15:16:16 +05'30'

Mr. Sharad Sharma
Chairman of CSR Committee
(DIN: 01586742)

CHANDAN
BHATTACHARYA
RYA

Digitally signed by
CHANDAN
BHATTACHARYA
Date: 2020.05.25
16:58:50 +05'30'

Mr. Chandan Bhattacharya
Director
(DIN: 01341570)



FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION DETAILS OF COMPANY:

1.	CIN	U65991MH2003PTC142972
2.	Registration Date	November 04, 2003
3.	Name of the Company	BNP Paribas Asset Management India Private Limited
4.	Category/Sub-Category of the Company	Company Limited by Shares
5.	Address of the Registered office and contact details	BNP Paribas House, 1 North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra-East, Mumbai – 400051 Email id: jyothi.krishnan@bnpparibasmf.in Contact No : 022-61964201
6.	Whether listed Company (Yes/No)	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Tel No: +91 22 49186270; Fax: +91 22 49186060 E-mail-id: rnt.helpdesk@linkintime.co.in; Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the Company
1	Fund Management activities as per NIC code 2008	6630	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN /GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	BNP Paribas Asset Management Asia Limited. 17/F, Lincoln House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong.	330989	Holding Company	100% *	2(46)

* Mr. Sharad Sharma and Ms. Jyothi Krishnan (residing in India) are holding 10 shares each as nominees of BNP Paribas Asset Management Asia Limited u/s 89 of the Companies Act, 2013.



IV. SHARE HOLDING PATTERN: (Equity Share Capital Breakup as percentage of Total Equity):

a. Category-wise Share Holding:

Category of Shareholders	No. of shares held at the beginning of the year (April 01, 2019)			No. of shares held at the end of the year (March 31, 2020)			% Change During the Year (B-A)
	Demat	Physical	% of Total Shares (A)	Demat	Physical	% of Total Shares (B)	
A. Promoters							
(1) Indian							
- Individual/HUF *	--	20	~	--	20	~	--
Sub-total (A)(1)	--	20	~	--	20	~	--
(2) Foreign							
- Bodies Corporate	10,77,32,254	--	100%	10,77,32,254	--	100%	--
Sub-total (A)(2)	10,77,32,254	--	100%	10,77,32,254	--	100%	--
Total shareholding of Promoter [(A)-(A)(1)+(A)(2)]	10,77,32,254	20	100%	10,77,32,254	20	100%	--
B. Public Shareholding							
(1) Institutions							
a) Mutual Funds	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--
g) FII's	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--
Sub-total (B)(1):	--	--	--	--	--	--	--
(2) Non-Institutions							
a) Bodies Corp.	--	--	--	--	--	--	--
i) Indian	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lac	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lac	--	--	--	--	--	--	--
c) Others (specify)	--	--	--	--	--	--	--
Sub-total(B)(2):	--	--	--	--	--	--	--
Total Public Shareholding (B)=(B)(1)+(B)(2)	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--
Grand Total (A+B+C)	10,77,32,254	20	100%	10,77,32,254	20	100%	0.00

--less than 0.01%

b. Shareholding of Promoters:

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (April 01, 2019)			Shareholding at the end of the year (March 31, 2020)			% change in shareholding during the year
		No. of shares	%of total shares of the Company	%of Shares Pledged /encumbered to total shares	No. of shares	%of total shares of the Company	%of Shares Pledged /encumbered to total shares	
1	BNP Paribas Asset Management Asia Limited	10,77,32,254	100% *	--	10,77,32,254	100% *	--	0.00

* Mr. Sharad Sharma and Ms. Jyothi Krishnan (residing in India) are holding 10 shares each as nominees of BNP Paribas Asset Management Asia Limited u/s 89 of the Companies Act, 2013

c. Change in Promoters' Shareholding: There are no changes in the Promoter's shareholding during the FY 2019-20.



d. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):** Not Applicable

e. **Shareholding of Directors and Key Managerial Personnel:** None of the Directors hold shares in the Company. However, Mr. Sharad Sharma (residing at India) holds 10 shares as nominee of BNP Paribas Asset Management Asia Limited u/s 89 of the Companies Act, 2013. Your Company is not required to appoint Key Managerial Personnel in terms of section 203 of Companies Act, 2013 read with rules issued thereunder.

V. **INDEBTEDNESS:** Your Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the year under review.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (in Rs.)
		Mr. Sharad Sharma	Mr. Anand Shah [*]	
1	Gross salary (in Rs.)			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,317,609	24,503,415	47,821,024
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit - Others, specify	--	--	--
5	Others, please specify [Contribution to Provident Fund (in Rs.)]	878,400	462,839	1,341,239
	Total (A) (in Rs.)	24,196,009	24,966,254	49,162,263
	Ceiling as per the Act	Not applicable		

^{*} Mr. Anand Shah ceased to be the Director of the Company with effect from close of business hours on October 03, 2019 and thereafter, ceased to be the Deputy CEO & Head of Investments with effect from close of business hours on October 25, 2019. The above remuneration details furnished for Mr. Anand Shah is for the period April 1, 2019 to October 25, 2019.

b. Remuneration to other Directors:

Particulars of Remuneration	Name of Directors				Total Amount (in Rs.)
	Mr. Chandan Bhattacharya [*] (Chairman)	Mr. Ninad Karpe [*]	Mr. Sanjay Sachdev [*]	Mr. Rakesh Vengayil [^]	
Fee for attending Board, Audit Committee and/or CSR Committee meetings	800,000	400,000	700,000	Nil	19,00,000
Commission	--	--	--	--	--
Others, please specify	--	--	--	--	--
Total	800,000	400,000	700,000	Nil	19,00,000

Note: ^{*} Independent Directors [^] Non-Executive Non-Independent Director

c. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

Your Company is not required to appoint Key Managerial Personnel in terms of section 203 of Companies Act, 2013 read with rules issued thereunder.

VII. Penalty or punishment imposed on the Company, its Directors or Officers and details of compounding of offences and appeals made against such penalty or punishment:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against your Company or its Directors or other officers in default, if any, during the year under review.



Type	Section of the companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			NIL		
Punishment					
Compounding					

KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BNP PARIBAS ASSET MANAGEMENT INDIA PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BNP Paribas Asset Management India Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss, the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

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 Companies Act, 2013 the ("Act") in the manner so required and give a true and fair view in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to note 34 to the financial statements, which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion and our Report on Other Legal and Regulatory Requirements are not modified in respect of this matter.

LLP IN : AAH - 3437

REGISTERED OFFICE : ESPLANADE HOUSE, 29, HAZARIMAL SOMANI MARG, FORT, MUMBAI 400 001
TEL.: (91) (22) 6158 6200, 6158 7200 FAX: (91) (22) 6158 6275

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information in Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information as specified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Other Matters

The comparative figures for the year ended March 31, 2019 have been audited by another auditor who expressed an unmodified opinion dated April 26, 2019 on the financial statements of the Company for the year ended March 31, 2019.

Our opinion and our Report on Other Legal and Regulatory Requirements are not modified in respect of this matter.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to 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 principles generally accepted in India, including the Accounting Standards specified 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.

In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place with respect to its financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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, 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 specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the provision of section 197(16) is not applicable to the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements;
 - 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.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Registration No: 104607W / W100166

Jamshed Kekas
Udwadia

Digitally signed by Jamshed Kekas, DN: cn=K, ou=Kalyaniwalla & Mistry LLP, email=kekas@kalyaniwalla.com, c=IN, o=Kalyaniwalla & Mistry LLP, ou=Kalyaniwalla & Mistry LLP, email=kekas@kalyaniwalla.com, serial=123456789, version=1.0

Jamshed K. Udwadia
Partner
Membership No: 124658
UDIN No. 20124658AAAABI9093

Mumbai, May 25, 2020.

Annexure A to the Independent Auditor's Report

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' of our Report to the members of the Company on the financial statements for the year ended March 31, 2020:

Statement on Matters Specified in paragraphs 3 and 4 of the Companies (Auditors Report) Order, 2016 (the Order)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified during the year in accordance with the regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanations 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 the provisions of clause (i) (c) of the Order are not applicable.
2. The Company does not have any inventory and hence the provisions of clause (ii) of the Order are not applicable.
3. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us the Company has not granted any loans, made investments or provided any guarantees and hence the provisions of clause (iv) of the Order are not applicable to the Company.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India under the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provisions of clause (v) of the Order are not applicable to the Company.
6. In our opinion, having regard to the nature of the Company's business and activities, the provisions of clause (vi) of the Order are not applicable to Company.
7. According to the information and explanations given to us and the records examined by us,
 - (a) The Company has been generally regular in depositing undisputed statutory dues, including provident fund, income tax, goods and service tax, cess and other material statutory dues applicable to it to the appropriate authorities.

According to the information and explanations given to us, no disputed amounts payable in respect of provident fund, profession tax, income tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute except for the following: -

Name of Statute	Nature of Dues	Demand (in Rs.)	Amount paid under protest (in Rs.)	Year to which amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax	9,14,510	-	A.Y. 2010-11	Deputy Commissioner of Income tax
Income Tax Act 1961	Income Tax	11,770	-	A.Y. 2015-16	Deputy Commissioner of Income tax
Income Tax Act 1961	Income Tax	1,17,62,624	-	A.Y. 2017-18	Deputy Commissioner of Income tax
Finance Act, 1994 (as amended)	Service Tax	5,11,47,723	-	A.Y. 2008-09 to A.Y. 2012-13	Commissioner of Service tax

8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has issued any debenture during the year. Hence, the provisions of clause (viii) of the Order are not applicable to the Company.
9. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of clause (ix) of the Order are not applicable to the Company.
10. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud by the Company or fraud on the Company by its officers or employee has been noticed or reported during the year.
11. In our opinion and according to the information and explanation given to us, the provisions of Section 197 read with Schedule V to the Companies Act are not applicable to the Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of clause (xii) of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us the Company has entered into transactions with related parties in compliance with the provisions of section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as the applicable accounting standards.
14. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause (xiv) of the Order are not applicable.
15. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause (xv) of the Order are not applicable to the Company.

**KALYANIWALLA
& MISTRY LLP**

16. According to the information and explanations given to us, the Company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause (xvi) of the Order are not applicable to the Company.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Registration No: 104607W / W100166

**Jamshed Kekas
Udwadia**

Digitally signed by Jamshed Kekas Udwadia
DN: cn=K, ou=Personal, ou=Jamshed Kekas Udwadia,
re=Jamshed Kekas Udwadia@kalyaniwalla.com, o=Kalyaniwalla & Mistry LLP,
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c=IN, postalCode=400001, serialNumber=104607W, postalCode=400001,
email=jamshed@kalyaniwalla.com, postalCode=400001,
c=IN, postalCode=400001, postalCode=400001,
Date: 2020.05.25 17:28:59 +05'30'

Jamshed K. Udwadia
Partner
Membership No: 124658
UDIN No. 20124658AAAABI9093

Mumbai, May 25, 2020.

Annexure B to the Independent Auditor's Report

The Annexure referred to in Para 2(f) under 'Report on Other Legal and Regulatory Requirements' of our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2020:

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the financial statements of BNP Paribas Asset Management India Private Limited ("the Company") as of March 31, 2020 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 financial controls with reference to financial statements 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements were 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 judgment, including the assessment of the risks of material misstatement of these 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 with reference to these financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial controls with reference to these financial statements 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 with reference to these financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Registration No: 104607W / W100166

**Jamshed Kekas
Udwadia**

Digitally signed by Jamshed Kekas Udwadia
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44714235346c1_jmshk@kalyanmistry.in
Date: 2020.05.25 17:27:19 +05'30'

Jamshed K. Udwadia
Partner
Membership No: 124658
UDIN No. _____

Mumbai, May 25, 2020.

BNP Paribas Asset Management India Private Limited

CIN: U65991MH2003PTC142972

Balance Sheet as at March 31, 2020

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
		₹	₹
Equity and liabilities			
Shareholders' funds			
(a) Share capital	3	1,077,322,740	1,077,322,740
(b) Reserves and surplus	4	(134,037,667)	(50,587,061)
		943,285,073	1,026,735,679
Non-current liabilities			
(a) Other long-term liabilities	5	777,844	908,588
(b) Long-term provisions	6	13,059,144	11,232,085
		13,836,988	12,140,673
Current liabilities			
(a) Trade payables	7	-	-
i) Total outstanding dues of micro enterprises and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		37,471,398	46,725,864
(b) Other current liabilities	5	50,271,008	60,041,665
(c) Short-term provisions	6	37,301,638	43,427,423
		125,044,044	150,194,952
TOTAL		1,082,166,105	1,189,071,304
Assets			
Non-current assets			
(a) Property Plant and Equipment			
i) Tangible assets	8	10,302,072	13,747,798
ii) Intangible assets	9	2,455,208	4,103,226
(b) Intangible assets under development		797,072	797,072
(c) Non-current investments	10	85,626,967	80,626,967
(d) Long-term loans and advances	11	224,595,960	207,402,359
		323,777,279	306,677,422
Current assets			
(a) Current investments	12	618,800,000	690,000,000
(b) Trade receivables	13	63,015,206	71,587,853
(c) Cash and bank balances	14	1,517,004	1,271,733
(d) Short-term loans and advances	11	75,056,616	119,534,296
		758,388,826	882,393,882
TOTAL		1,082,166,105	1,189,071,304
See significant accounting policies and accompanying notes which form an integral part of the financial statements			

In terms of our report attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm's Registration No: 104607W/W100166

Jamshed
Kekas
Udwadia

Jamshed K. Udwadia
Partner
Membership No. 124658

For and on behalf of the Board of Directors of
BNP Paribas Asset Management India Private Limited

CHANDAN
BHATTACHARYA
CHARYA

Chandan Bhattacharya
Chairman
DIN: 01341570

Sharad
Kumar
Sharma

Sharad Sharma
Managing Director & CEO
DIN: 01586742


Vineet Nayyar
Chief Financial Officer


Jyothi Krishnan
Company Secretary

Mumbai, 25 May, 2020

BNP Paribas Asset Management India Private Limited

CIN: U65991MH2003PTC142972

Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Notes	Current Year	Previous Year
		₹	₹
I Income			
Revenue from operations	15	435,350,131	818,630,085
Other income	16	44,158,100	142,563,900
Total Income (I)		479,508,231	961,193,985
II Expenses			
Employee benefits expense	17	283,336,989	305,849,598
Finance costs	18	50,600	94,256
Depreciation and amortisation expense	8,9	6,106,397	4,753,995
Other expenses	19	275,160,275	636,526,390
Total Expenses (II)		564,654,261	947,224,239
III Profit/(Loss) before Tax (I - II)		(85,146,030)	13,969,746
IV Tax expense			
Current tax		-	8,123,081
Deferred tax		-	-
Tax relating to prior years		(1,695,424)	(10,050,127)
Total tax expense		(1,695,424)	(1,927,046)
V Profit/(Loss) for the year from continuing operations (III - IV)		(83,450,606)	15,896,790
Earnings per share (nominal value of ₹ 10 per share)			
Basic and Diluted (₹)	26	(0.77)	0.08

See significant accounting policies and accompanying notes which form an integral part of the financial statements

In terms of our report attached.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm's Registration No: **104607W/W100166**

Jamshed Kekas
Udwadia


Jamshed K. Udwadia
Partner
Membership No. 124658

Digitally signed by Jamshed Kekas Udwadia
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serialNumber=1, postalCode=400002, postalCode=400002,
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ou=JamshedKekasUdwadia, postalCode=400002,
o=Kalyaniwalla & Mistry LLP, postalCode=400002,
cn=JK, postalCode=400002

For and on behalf of the Board of Directors of
BNP Paribas Asset Management India Private Limited

CHANDAN
BHATTACHARYA

Chandan Bhattacharya
Chairman
DIN: 01341570


Vineet Nayyar
Chief Financial Officer

Sharad
Kumar
Sharma

Sharad Sharma
Managing Director & CEO
DIN: 01586742


Jyothi Krishnan
Company Secretary

Mumbai, 25 May, 2020

Particulars	Current Year	Previous Year
	₹	₹
A. Cash Flows From Operating Activities:		
Profit / (Loss) before tax	(85,146,030)	13,969,746
Adjustments for:		
Depreciation and Amortisation	6,106,397	4,753,995
Finance Cost	50,600	94,256
Interest on bank deposit	(7,829)	(35,289)
Profit on sale on investments	(39,642,309)	(137,650,711)
Profit on sale of fixed assets (net)	(251,996)	(3,223)
Unrealised Foreign Exchange (gain) / loss	(54,198)	32,746
Operating (loss) / gain before working capital changes	(118,945,365)	(118,838,480)
Changes in working capital :		
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	8,626,845	49,052,192
Long-term loans and advances	7,840,254	8,488,023
Short-term loans and advances	44,477,681	11,853,684
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(9,254,466)	(94,039,807)
Other long-term liabilities	(130,744)	207,522
Other current liabilities	(9,770,656)	(13,924,825)
Long-term provisions	1,827,058	509,387
Short-term provisions	(6,125,785)	(10,342,992)
Cash (used in) from Operations	(81,455,178)	(167,235,296)
Taxes (net of refund)	(23,338,427)	(68,031,310)
Net cash (Used in) Operating Activities (A)	(104,793,605)	(235,266,606)
B. Cash flows from Investing Activities:		
Capital expenditure on fixed assets, including capital advances	(1,055,495)	(11,729,453)
Proceeds from sale of fixed assets	294,839	41,220
Purchase of current investments	(1,090,886,000)	(2,681,134,170)
Proceeds from sale of current investments	1,201,728,303	3,970,288,447
Purchase of long term investments	(5,000,000)	(9,776,980)
Interest received	7,829	35,289
Net cash from Investing Activities (B)	105,089,476	1,267,724,353
C. Cash flows from Financing Activities:		
Repayment of share capital	-	(1,032,352,260)
Finance Costs	(50,600)	(94,256)
Net cash (used in) Financing Activities (C)	(50,600)	(1,032,446,516)
Net Increase in Cash & Cash Equivalents (A+B+C)	245,271	11,231
Cash and cash equivalents at the beginning of the year (see note 14)	1,271,733	1,260,502
Cash and cash equivalents at the end of the year (see note 14)	1,517,004	1,271,733

Particulars	Current Year	Previous Year
	₹	₹
Cash and cash equivalents at the end of the year *	1,517,004	1,271,733
* Comprises:		
Cash on hand	307,160	297,634
Balances with banks		
In current accounts	1,209,844	974,099

In terms of our report attached.

For Kalyaniwalla & Mistry LLP
 Chartered Accountants
 Firm's Registration No: 104607W/W100166

Jamshed Kekas Udwadia
 Jamshed K. Udwadia
 Partner
 Membership No. 124658

For and on behalf of the Board of Directors of
 BNP Paribas Asset Management India Private Limited

Chandan Bhattacharya
 Digitally signed by CHANDAN BHATTACHARYA
 Date: 2020.05.25 17:06:43 +05'30'

Sharad Kumar Sharma
 Digitally signed by Sharad Kumar Sharma
 Date: 2020.05.25 15:09:11 +05'30'

Sharad Sharma
 Managing Director & CEO
 DIN: 01586742

Vineet Nayyar
 Chief Financial Officer

Jyothi Krishnan
 Company Secretary

BNP Paribas Asset Management India Private Limited

CIN: U65991MH2003PTC142972

Notes forming part of the financial statements as at and for the year ended March 31, 2020

1 Corporate information

BNP Paribas Asset Management India Private Limited ('the Company') is registered under the Companies Act, 1956 with effect from October 18, 2010. Earlier, the Company was known as Fortis Investment Management (India) Private Limited from September 19, 2008 to October 17, 2010. Prior to that it was known as ABN AMRO Asset Management (India) Limited and had obtained the registration under the Companies Act, 1956 on November 4, 2003. The main objects of the Company are to carry on the business of asset management and portfolio management services. The Company is a wholly owned subsidiary of BNP Paribas Asset Management Asia Limited, Hong Kong (formerly known as BNP Paribas Investment Partners Asia Limited).

Subsequent to the global acquisition of Fortis Group by BNP Paribas in 2009 and on receiving the no objection letter from SEBI to be the sponsor of the Company, the Asset Management Company became a part of the BNP Paribas Group. Earlier due to a global restructuring in April 2008, ABN AMRO Asset Management group became a part of Fortis Investments group. At that time, ABN AMRO Asset Management (India) Limited was changed to a private limited company on June 20, 2008 and in due course to Fortis Investment Management (India) Private Limited.

The primary activity of the Company is to act as an investment manager to BNP Paribas Mutual Fund. The Company manages the investment portfolio and provides various administrative services to the Fund.

The Company also provides portfolio management services ('PMS') to clients under Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.

2 Significant accounting policies

a Basis of preparation

The financial statements of the Company have been prepared in accordance with 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 Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on the 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.

b 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 / materialised. Any revision to accounting estimates is recognised prospectively in current and future periods.

c Cash and Cash equivalents (for purposes of Cash Flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

e Property Plant and Equipment and Depreciation

Tangible 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.

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 for such software is charged annually to the Statement of Profit and Loss.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation is provided on the straight-line method as per the useful life mentioned in the table below. The life of the assets has been assessed taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

BNP Paribas Asset Management India Private Limited

CIN: U65991MH2003PTC142972

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Class of asset	Estimated useful life as assessed by	Estimated useful life specified under Schedule II of
	Company	the Companies Act, 2013
	Yrs	Yrs
Computers	5	3
Furniture and fixtures	5	10
Office equipment	5	5
Software	3	NIL
Copyrights	8	NIL
Leasehold improvements	Over the primary period of lease or economic useful life, whichever is lower	

The Company provides pro-rata depreciation from the date the asset is ready to be put to use and for any asset sold, until the date of sale. Property Plant and Equipment individually costing ₹ 5,000 or less are fully depreciated in the year of purchase / acquisition.

f Impairment of assets

The carrying amounts of assets at each Balance Sheet date are reviewed for impairment. If any indication of impairment based on internal / external factors exists, the recoverable amount of such assets is estimated and impairment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and its value in use which is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

g Revenue recognition**i. Investment management fees**

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

ii. Portfolio management fees

Portfolio management fees are recognised net-of indirect tax on an accrual basis in accordance with the respective terms of contract between the Company and Portfolio Management Scheme ('PMS') clients.

iii. Advisory fees

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

iv. Other income

Purchases and sales of investments are recorded on the trade dates. The profit / loss on sale of investments are recognised in the Statement of Profit and Loss on the trade date.

h Scheme related expenses

Upto October 22, 2018, annual recurring expenses and losses 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.

BNP Paribas Asset Management India Private Limited

CIN: U65991MH2003PTC142972

Notes forming part of the financial statements as at and for the year ended March 31, 2020

i Brokerage expenses

Brokerage on fixed maturity plans (FMPs) if any is amortised over the term of the respective FMP. Brokerage on Long Term Equity Fund (erstwhile Tax Advantage Plan - ELSS) is amortised over the three year mandatory lock in period.

All advance brokerages except Systematic Investment Plan ('SIP') advance brokerage paid on all open ended schemes are amortised over their exit load / claw back period, if applicable. SIP advance brokerage paid on all open ended schemes are amortised over 36 months. The unamortised portion of the brokerage is carried forward as prepaid expense.

Upfront Brokerage paid on Portfolio Management Schemes (PMS) is amortised over the exit load period of the PMS scheme. All other brokerage payments are charged to the Statement of Profit and Loss when incurred

W.e.f. October 22, 2018 – All brokerage & scheme related expenses are being booked in scheme books and scheme expenses include trail brokerage

j Investments

Investments are classified into long-term investments and current investments.

Investments which are intended to be held for more than one year are classified as long-term investments. Long-term investments are made by the Company as per the requirements of Para 28(5) of Chapter V of SEBI (MF) Regulations, 1996 and amendments thereof.

Investments which are intended to be held for less than or equal to one year are classified as current investments.

The Company follows trade date method of accounting for recording of purchase and sale of investments. All investments are initially recorded at cost. The cost of an investment includes purchase price, directly attributable acquisition charges and reduced by recovery of costs, if any. On disposal of an investment, the difference between its carrying amount and the net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Long-term investments are accounted at cost and any decline in carrying value other than temporary in nature is provided for. Current investments are valued at cost and market/fair value whichever is lower. In case of investments in units of mutual funds, the net asset value of units has been considered as market value.

k Employee benefits

Defined contribution plan

The Company's contribution to recognised provident fund is considered as defined contribution plan and amounts (maintained and managed by the Office of the Regional Provident Fund Commissioner) paid/payable during the year is recognised in the Statement of Profit and Loss.

Defined benefit plans

i. Gratuity

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 done at the year end, using the Projected Unit Credit Method which recognises 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 values of estimated future cash flows. The discount rates used for determining the present value are based on the market yields on Government Securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

ii. Compensated Absences

The employees of the Company are entitled to compensated absences as per the policy of the Company. Compensated absences are recognised as a liability at present value of the defined benefit obligation at the balance sheet date. The Company's liability towards compensated absences is determined on the basis of an independent actuarial valuation based on the projected unit credit method carried out as at the balance sheet date. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

iii. Deferred Bonus Award

The company accounts for its defined benefit obligations for non-funded deferred bonus benefits on the basis of valuation provided by the regional team at each balance sheet date.

BNP Paribas Asset Management India Private Limited

CIN: U65991MH2003PTC142972

Notes forming part of the financial statements as at and for the year ended March 31, 2020

l Leases

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Amount due under the operating leases are charged to the Statement of Profit and Loss, on a straight - line basis over the lease term in accordance with Accounting Standard 19 on 'Leases' as specified under Section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006. Initial direct costs incurred specifically for operating leases are recognised as expense in the year in which they are incurred.

In respect of finance lease, substantially all the risks and benefits of ownership of the leased assets are transferred to the lessee over the lease term. The fair value of the asset acquired on finance lease is recognised as an asset and a liability at the inception of the lease. The lease payments are apportioned between finance charges and the reduction from the outstanding liability. Depreciation is charged on the assets acquired under finance lease.

m Earnings per share

Basic earnings per share is computed by dividing the net 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 net 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.

n 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.

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 substantially enacted as at the Balance Sheet date. Deferred tax assets other than unabsorbed depreciation and carry forward of losses and items relating to capital losses are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses and items relating to capital losses are recognised only if there is virtual certainty supported by convincing evidence that the same can be realised against future taxable profits. At each Balance Sheet date the Company re-assesses unrecognised deferred tax assets. It recognises the unrecognised deferred tax assets to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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.

o Foreign currency transactions

- i. Transactions in foreign currencies are recorded at the rate of exchange in force at the time of occurrence of the transactions.
- ii. Exchange differences arising on settlement of revenue transactions are recognised in the Statement of Profit and Loss.
- iii. Foreign currency monetary items outstanding at the Balance Sheet date are translated at the exchange rate prevailing at the Balance Sheet date and the resultant difference is recognised as income or expense in the Statement of Profit and Loss.
- iv. Non-monetary items outstanding at the Balance Sheet date are reported using exchange rates at the date of the transactions.

p Provisions and contingencies

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

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

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

q 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.

BNP Paribas Asset Management India Private Limited

CIN: U65991MH2003PTC142972

Notes forming part of the financial statements as at and for the year ended March 31, 2020

r GST Input Credit

GST 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.

BNP Paribas Asset Management India Private Limited

CIN: U65991MH2003PTC142972

Notes forming part of the financial statements as at and for the year ended March 31, 2020

3 Share capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	₹	Number	₹
(a) Authorised shares Equity shares of ₹ 10/- each	215,000,000	2,150,000,000	215,000,000	2,150,000,000
(b) Issued, subscribed & fully paid up shares Equity Shares of ₹ 10/- each	107,732,274	1,077,322,740	107,732,274	1,077,322,740
[All the above shares are held by BNP Paribas Asset Management Asia Limited, the holding company and its nominees. (The ultimate holding company is BNP Paribas Asset Management Holding)]				
Total	107,732,274	1,077,322,740	107,732,274	1,077,322,740

The company had received approval for reduction of capital by 103,235,226 shares from the National Company Law Tribunal (NCLT) vide order dated September 27, 2018 that was received by the Company on March 1, 2019. The capital reduction was subsequently approved by the Registrar of Companies (ROC) on March 19, 2019. Accordingly the company had remitted capital of ₹ 1,032,352,260 on March 26, 2019 to the holding company, BNP Paribas Asset Management Asia Limited.

a	Particulars	Opening Balance	Capital reduction	Closing Balance
	Equity shares with voting rights			
	Year ended 31 March, 2020			
	- Number of shares	107,732,274	-	107,732,274
	- Amount (₹)	1,077,322,740	-	1,077,322,740
	Year ended 31 March, 2019			
	- Number of shares	210,967,500	103,235,226	107,732,274
	- Amount (₹)	2,109,675,000	1,032,352,260	1,077,322,740

b Terms/rights attached to equity shares

- The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.
- 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.

c Details of shareholder holding more than 5 % shares in the Company

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	Number	% of Holding	Number	% of Holding
BNP Paribas Asset Management Asia Limited and its nominees	107,732,274	100%	107,732,274	100%
	107,732,274	100%	107,732,274	100%

4 Reserves and surplus

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Surplus / (Deficit) in the Statement of Profit and Loss		
Opening Balance	(50,587,061)	(66,483,851)
Profit / (Loss) for the year	(83,450,606)	15,896,790
Closing Balance	(134,037,667)	(50,587,061)

BNP Paribas Asset Management India Private Limited

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Notes forming part of the financial statements as at and for the year ended March 31, 2020

5 Other liabilities

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current portion	Current maturities	Non-current portion	Current maturities
	₹	₹	₹	₹
Lease Equalisation	777,844	79,877	908,588	-
Statutory Remittances	-	34,926,360	-	40,623,185
Employees benefit payable	-	15,264,771	-	19,418,480
Total	777,844	50,271,008	908,588	60,041,665

6 Provisions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current portion	Current maturities	Non-current portion	Current maturities
	₹	₹	₹	₹
Provision for Fringe Benefit Tax [Net of Advance Tax of ₹ 1,374,081 (Previous year ₹ 1,374,081)]	-	919	-	919
Provision for Tax [Net of Advance Tax of ₹ 18,049,975 (Previous year ₹ 17,058,164)]	-	23,641,836	-	23,641,836
Provision for employee benefits (Refer Note 24)				
- Gratuity	12,033,968	1,778,807	10,586,430	1,987,341
- Leave Encashment	150,810	-	51,881	355,833
Deferred Bonus	874,366	11,880,076	593,774	17,441,494
Total	13,059,144	37,301,638	11,232,085	43,427,423

7 Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
	₹	₹
Payable to Vendors	333,835	242,852
Provision for Expenses	37,137,563	46,483,012
Total	37,471,398	46,725,864

No amount is payable to "Suppliers" under Micro, Small and Medium Enterprises Development Act, 2006.

No interest has been paid / payable by the Company during the year to the "Suppliers" covered under the Micro, Small and Medium Enterprises Development Act, 2006. The above information has been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

Property Plant and Equipment

Particulars	Gross Block (At Cost)			Depreciation and Amortisation			Net Block		
	Balance as at April 1, 2019	Additions	Disposals	Balance as at March 31, 2020	Balance as at April 1, 2019	Charge for the year	On disposals	Balance as at March 31, 2020	Balance as at March 31, 2019
	₹	₹	₹	₹	₹	₹	₹	₹	₹
8									
Tangible assets									
Leasehold improvements (Previous Year)	14,514,558 (12,129,102)	- (2,385,456)	845,859 -	13,668,699 (14,514,558)	11,780,388 (10,624,276)	1,245,463 (1,156,113)	845,859 -	12,179,992 (11,780,389)	1,488,707 (2,734,169)
Office equipments (Previous Year)	12,392,489 (11,667,170)	152,337 (903,909)	237,503 (178,590)	12,307,323 (12,392,489)	9,808,231 (9,107,368)	889,962 (841,456)	198,729 (140,593)	10,499,464 (9,808,231)	1,807,859 (2,584,258)
Computer hardware (Previous Year)	41,295,918 (35,090,127)	903,158 (6,205,791)	2,620,477 -	39,578,599 (41,295,918)	33,262,461 (31,600,817)	2,229,140 (1,661,644)	2,616,408 -	32,875,193 (33,262,461)	6,703,406 (8,033,457)
Furniture and fixtures (Previous Year)	6,008,764 (5,618,081)	- (390,683)	185,342 -	5,823,422 (6,008,764)	5,612,850 (5,501,778)	93,812 (111,072)	185,342 -	5,521,320 (5,612,850)	302,102 (395,914)
Total (A)	74,211,729	1,055,495	3,889,181	71,378,043	60,463,930	4,458,379	3,846,338	61,075,971	10,302,072
Previous year	(64,504,480)	(9,885,839)	(178,590)	(74,211,729)	(56,834,239)	(3,770,285)	(140,593)	(60,463,931)	(13,747,798)
9									
Intangible assets (other than internally generated)									
Computer software (Previous Year)	17,668,616 (14,269,226)	- (3,399,390)	- -	17,668,616 (17,668,616)	13,726,975 (12,768,662)	1,622,552 (958,313)	- -	15,349,527 (13,726,975)	2,319,089 (3,941,641)
Copyrights (Previous Year)	203,312 (203,312)	- -	- -	203,312 (203,312)	41,727 (16,330)	25,466 (25,397)	- -	67,193 (41,727)	136,119 (161,585)
Total (B)	17,871,928	-	-	17,871,928	13,768,702	1,648,018	-	15,416,720	2,455,208
Previous year	(14,472,538)	(3,399,390)	-	(17,871,928)	(12,784,992)	(983,710)	-	(13,768,702)	(4,103,226)
Total (A) + (B)	92,083,657	1,055,495	3,889,182	89,249,971	74,232,632	6,106,397	3,846,338	76,492,691	12,757,280
Previous year	(78,977,018)	(13,285,229)	(178,590)	(92,083,657)	(69,619,231)	(4,753,995)	(140,593)	(74,232,634)	(17,851,024)

BNP Paribas Asset Management India Private Limited

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Notes forming part of the financial statements as at and for the year ended March 31, 2020

10 Non-current investments

Particulars	As at 31 March, 2020	As at 31 March, 2019
	₹	₹
Investment in Mutual Funds (Unquoted)		
2,340,319 (Previous Year 2,340,319) units of BNP Paribas Liquid Fund Direct Growth (previously known as BNP Paribas Overnight Fund Direct Plan Growth) F.V. of ₹ 1,000 each	5,000,000	5,000,000
332,367.253 (Previous Year 332,367.253) units of BNP Paribas Corporate Bond Fund Direct Plan Growth Option (previously known as BNP Paribas Bond Fund Direct Plan Growth) F.V. of ₹ 10 each	5,000,000	5,000,000
140,173.816 (Previous Year 140,173.816) units of BNP Paribas Multi Cap Fund Direct Growth (previously known as BNP Paribas Dividend Yield Fund Direct Plan Growth) F.V. of ₹ 10 each	5,000,000	5,000,000
71,828.760 (Previous Year 71,828.760) units of BNP Paribas Large Cap Fund Direct Growth (previously known as BNP Paribas Equity Fund Direct Plan Growth) F.V. of ₹ 10 each	5,000,000	5,000,000
206,149.013 (Previous Year 206,149.013) units of BNP Paribas Flexi Debt Fund Direct Plan Growth Option F.V. of ₹ 10 each	5,000,000	5,000,000
166,588.925 (Previous Year 166,588.925) units of BNP Paribas Long Term Equity (ELSS) Fund Direct Plan Growth F.V. of ₹ 10 each	5,000,000	5,000,000
445,434.298 (Previous Year 445,434.298) units of BNP Paribas Medium Term Fund Direct Growth (previously known as BNP Paribas Medium Term Income Fund Direct Plan Growth) F.V. of ₹ 10 each	5,000,000	5,000,000
206,868.018 (Previous Year 206,868.018) units of BNP Paribas Mid Cap Fund Direct Plan Growth Option F.V. of ₹ 10 each	5,000,000	5,000,000
235,628.988 (Previous Year 235,628.988) units of BNP Paribas Low Duration Fund Direct Growth (previously known as BNP Paribas Money Plus Fund Direct Plan Growth) F.V. of ₹ 10 each	5,000,000	5,000,000
220,190.038 (Previous Year 220,190.038) units of BNP Paribas Conservative Hybrid Fund Direct Growth (previously known as BNP Paribas Monthly Income Plan Direct Plan Growth) F.V. of ₹ 10 each	4,889,987	4,889,987
312,320.416 (Previous Year 312,320.416) units of BNP Paribas Short Term Fund Direct Growth (formerly known as BNP Paribas Short Term Income Fund Direct Plan Growth) F.V. of ₹ 10 each	5,000,000	5,000,000
499,500.500 (Previous Year 499,500.500) units of BNP Paribas Arbitrage Fund Direct Growth (previously known as BNP Paribas Enhanced Arbitrage Fund Direct Plan Growth) F.V. of ₹ 10 each	5,000,000	5,000,000
498,907.393 (Previous Year 498,907.393) units of BNP Paribas Substantial Equity Hybrid Fund Growth (previously known as BNP Paribas Balanced Fund Direct Plan Growth) F.V. of ₹ 10 each	5,000,000	5,000,000
498,653.635 (Previous Year 498,653.635) units of BNP Paribas Focused 25 Equity Fund Direct Growth F.V. of ₹ 10 each	5,000,000	5,000,000
498,653.635 (Previous Year 498,653.635) units of BNP Paribas India Consumption Fund Direct Growth F.V. of ₹ 10 each	5,000,000	5,000,000
476,174.242 (Previous Year 476,174.242) units of BNP Paribas Dynamic Equity Fund Direct Growth F.V. of ₹ 10 each	4,776,980	4,776,980
4,996.444 (Previous Year NIL) units of BNP Paribas Overnight Fund Direct Growth F.V. of ₹ 1,000 each	5,000,000	-
Investment in Equity Instruments (Unquoted)		
500,000 (Previous Year 500,000) Equity shares, fully paid up of MF Utilities India Private Limited	960,000	960,000
Total	85,626,967	80,626,967
Market value	105,787,245	102,543,480
Market value represents the repurchase price of the units issued		

11 Loans and advances (unsecured, considered good)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non-current portion	Current maturities	Non-current portion	Current maturities
	₹	₹	₹	₹
Advances to Related Parties (Refer Note 20)	-	10,551,833	-	12,420,992
Security Deposits	8,744,603	734,000	8,693,604	734,000
Prepaid Expenses	3,084,748	12,326,501	10,976,001	53,193,978
Advance Tax	212,752,425	-	187,718,570	-
[Net of Provision for tax ₹ 86,319,168 (Previous year ₹ 88,014,642)]				
Advance Fringe Benefit Tax	14,184	-	14,184	-
[Net of Provision for tax of ₹ 1,135,000 (Previous Year ₹ 1,135,000)]				
Balances with Government Authorities				
-Goods & Service Tax input credit receivable	-	47,095,594	-	42,003,585
-Others	-	3,049,278	-	3,255,723
Others	-	1,299,410	-	7,926,018
Total	224,595,960	75,056,616	207,402,359	119,534,296

12 Current investments (valued at lower of cost and fair value / market value)

Particulars	As at 31 March, 2020	As at 31 March, 2019
	₹	₹
Investment in Mutual Funds (Unquoted)		
11,962.124 (Previous Year 48,800.576) units of BNP Paribas Liquid Fund Direct Growth (previously known as BNP Paribas Overnight Fund Direct Plan Growth) F.V. of ₹ 1,000 each	36,400,000	140,000,000
18,476,571.175 (Previous Year 18,844,070.456) units of BNP Paribas Low Duration Fund Direct Growth (previously known as BNP Paribas Money Plus Fund Direct Plan Growth) F.V. of ₹ 10 each	582,400,000	550,000,000
Total	618,800,000	690,000,000
Market value	619,952,458	691,093,582

Market value represents the repurchase price of the units issued

13 Trade receivables (unsecured) (considered good, unless stated otherwise)

Particulars	As at 31 March, 2020	As at 31 March, 2019
	₹	₹
Outstanding for a period less than six months from the date they are due for payment (Refer Note 20)	63,015,206	71,587,853
Total	63,015,206	71,587,853

14 Cash and bank balances

Particulars	As at 31 March, 2020	As at 31 March, 2019
	₹	₹
Cash and cash equivalents		
Cash on hand	307,160	297,634
Balances with banks: In current account	1,209,844	974,099
Total	1,517,004	1,271,733

BNP Paribas Asset Management India Private Limited**CIN: U65991MH2003PTC142972****Notes forming part of the financial statements as at and for the year ended March 31, 2020****15 Revenue from operations**

Particulars	Current Year	Previous Year
	₹	₹
Investment Management Fees	360,637,426	720,953,213
Advisory Fees (Refer Note 20 & 27)	74,712,705	97,676,872
Total	435,350,131	818,630,085

16 Other income

Particulars	Current Year	Previous Year
	₹	₹
Bank interest	7,829	35,289
Profit on sale of current investments (net)	39,642,309	137,650,711
Interest on income tax refund	-	614,573
Profit on sale of fixed assets (net)	251,996	3,223
Foreign exchange gain (net)	297,046	721,070
Miscellaneous income	3,958,920	3,539,034
Total	44,158,100	142,563,900

BNP Paribas Asset Management India Private Limited

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Notes forming part of the financial statements as at and for the year ended March 31, 2020

17 Employee benefits expense

Particulars	Current Year	Previous Year
	₹	₹
Salaries, bonus and allowances (Refer Note 20 & 24)	263,447,127	284,477,803
Contribution to provident fund (Refer Note 24)	9,195,733	9,525,703
Gratuity Expense (Refer Note 24)	4,255,830	1,992,155
Staff welfare expenses (Refer Note 28)	6,438,299	9,853,937
Total	283,336,989	305,849,598

18 Finance costs

Particulars	Current Year	Previous Year
	₹	₹
Bank charges	50,600	94,256
Total	50,600	94,256

19 Other expenses

Particulars	Current Year	Previous Year
	₹	₹
Rent (Refer Note 21)	67,719,411	68,442,533
Repairs and maintenance	6,978,962	7,550,157
Electricity charges	1,303,725	1,293,141
Insurance	1,014,877	450,952
Rates and taxes	2,941,473	3,658,868
Travelling and conveyance	5,957,004	8,518,416
Printing, Stationery and Postage expenses	8,911,687	10,251,097
Communication Expenses	1,145,280	1,269,627
Advertisement and brand promotion	9,311,653	12,654,420
Business Development	18,865,008	26,311,861
Portfolio Management Services Expenses	14,576,201	23,877,933
Scheme related expenses	21,907,945	360,325,271
Expenditure on corporate social responsibility (Refer Note 33)	1,536,420	2,379,110
Legal and professional fees	66,168,506	41,467,131
Information Technology (Refer Note 28)	30,425,354	51,821,726
Newswire charges	7,232,901	6,527,467
Membership and subscription fees (Refer Note 28)	1,070,355	1,636,779
Directors' Sitting Fees	1,900,000	1,900,000
Auditors' remuneration (See note (a) below)	1,000,000	1,439,540
Miscellaneous expenses	5,193,513	4,750,361
Total	275,160,275	636,526,390

(a) Break up of auditors' remuneration:

	Current Year	Previous Year
	₹	₹
Audit fees	800,000	1,144,446
Tax audit fee	200,000	295,094
Goods & Service Tax	180,000	259,117
	1,180,000	1,698,657
Less : Cenvat credit	180,000	259,117
Total	1,000,000	1,439,540

BNP Paribas Asset Management India Private Limited
Notes forming part of the financial statements as at and for the year
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20 Related party disclosures

In accordance with Accounting Standard 18 (AS-18) on 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, the details pertaining to related parties are as under:

(A) Names of related parties by whom control is exercised with whom there are transactions during the year

Name of the related party	Relationship
BNP Paribas S.A.	Ultimate Parent
BNP Paribas Asset Management Asia Limited	Holding Company
BNP Paribas S.A. Singapore Branch	Branches of Ultimate Parent
BNP Paribas S.A. India Branch	
BNP Paribas Trustee India Private Limited	Fellow Subsidiary
BNP Paribas India Solutions Private Limited	Associate
BNP Paribas Wealth Management India Private Limited	
Sundaram BNP Paribas Fund Services Limited	
BNP Paribas Investment Partner Latam SA	
BNP Paribas Asset Management UK Limited	
BNP Paribas London Branch	
BNP Paribas Asset Management Belgium SA	
BNP Paribas Asset Management France	
BNP Paribas Asset Management Nederland N.V.	

Identification of the above related parties has been performed by the Management which has been relied upon by the Auditors.

(B) Key Management Personnel

Mr. Sharad Sharma – Managing Director & CEO

Mr. Anand Shah – Executive Director & Deputy CEO and Head of Investments (From April 01, 2019 to October 25, 2019)

BNP Paribas Asset Management India Private Limited
Notes forming part of the financial statements as at and for the year
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(C) The transactions carried out with the above related parties in the ordinary course of business are as follows:

Particulars	Ultimate Parent	Holding Company	Branches of Ultimate Parent	Fellow Subsidiaries	Associate	KMP	Total
Transactions with related parties							
- Advisory fees	-	74,712,705	-	-	-	-	74,712,705
	-	(97,676,872)	-	-	-	-	(97,676,872)
- IT expenses *	-	-	12,433,512	-	25,009,250	-	37,442,762
	-	-	(23,155,120)	-	(43,943,431)	-	(67,098,551)
- Reimbursement of expenses	-	-	-	300,000	-	-	300,000
	-	-	-	(328,385)	-	-	(328,385)
- Recovery of expenses	-	-	4,622,305	-	-	-	4,622,305
	-	(2,700,328)	-	-	-	-	(2,700,328)
- Interest received	-	-	7,829	-	-	-	7,829
	-	-	(35,289)	-	-	-	(35,289)
- Rental expenses *	-	-	66,022,199	-	-	-	66,022,199
	-	-	(64,493,607)	-	-	-	(64,493,607)
- Sales Promotion activities	-	-	-	-	14,217,430	-	14,217,430
	-	-	-	-	(26,763,420)	-	(26,763,420)
- Other expense booked	-	-	1,918,217	-	3,515,820	-	5,434,037
	-	-	(3,114,801)	-	(7,750,690)	-	(10,865,491)
- Key Managerial Personnel Remuneration paid							
- Mr. Sharad Sharma	-	-	-	-	-	24,196,009	24,196,009
	-	-	-	-	-	(26,471,771)	(26,471,771)
- Mr. Anand Shah #	-	-	-	-	-	24,966,254	24,966,254
	-	-	-	-	-	(44,393,087)	(44,393,087)

* Expenses have been disclosed inclusive of service tax amounts charged

BNP Paribas Asset Management India Private Limited
Notes forming part of the financial statements as at and for the year
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Mr. Anand ceased to be the Director of the Company w.e.f. close of business hours on October 03, 2019 and thereafter, ceased to be the Deputy CEO & Head of Investments w.e.f. close of business hours on October 25, 2019 and ceased to be an employee of the Company w.e.f. close of business hours on October 25, 2019. The above remuneration details are provided for Mr. Anand Shah as an employee of the Company upto October 25, 2019.

Particulars	Ultimate Parent	Holding Company	Branches of Ultimate Parent	Fellow Subsidiaries	Associates	KMP	Total
Balances outstanding at the end of the year							
- Trade receivables	-	6,971,558	-	-	-	-	6,971,558
	-	(7,184,344)	-	-	-	-	(7,184,344)
- Expenses receivables	-	-	1,000,021	354,000	305,434	-	1,659,455
	-	(2,700,328)	(208,607)	(328,385)	(4,968,276)	-	(8,205,596)
- Advance paid (IT Expenses)	-	-	-	-	8,892,378	-	8,892,378
	-	-	-	-	(4,215,396)	-	(4,215,396)
- Key Managerial Personnel Remuneration							
- Mr. Sharad Sharma	-	-	-	-	-	313,757	313,757
	-	-	-	-	-	(309,894)	(309,894)
- Mr. Anand Shah	-	-	-	-	-	-	-
	-	-	-	-	-	(8,155,851)	(8,155,851)
- Balance in current account							
	-	-	1,099,290	-	-	-	1,099,290
	-	-	(868,049)	-	-	-	(868,049)

Note: Figures in bracket relate to the previous year

21 Leases

In accordance with Accounting Standard 19 (AS-19) on 'Leases' as specified under Section 133 of the Companies Act, 2013:

The Company has taken office premises, furniture and office equipment on Operating lease. Lease rentals for office premises, furniture and office equipment amounting to ₹ 67,719,411 (Previous year ₹ 68,442,533) has been charged under Rent included in Other expenses in Note 19.

i. The total future minimum lease payments under non-cancellable operating lease for each of the periods is given below:

	Current Year	Previous Year
Not later than 1 year	1,619,794	3,903,674
Later than 1 year and not later than 5 year	-	1,619,794
More than 5 years	-	-

BNP Paribas Asset Management India Private Limited
Notes forming part of the financial statements as at and for the year
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(Currency: Indian Rupee)

22 Deferred taxation

In accordance with Accounting Standard 22 on 'Taxes on Income' as specified under Section 133 of the Companies Act, 2013, the components of deferred tax asset (net) have been given hereunder:

Particulars	Current Year	Previous Year
a) Deferred tax assets		
Carried forward business losses	81,371,055	134,766,810
Depreciation	3,659,471	4,986,249
Employee benefits	10,890,903	16,751,925
Provision disallowed	223,007	303,323
Total (a)	96,144,436	156,808,307
b) Deferred tax liability		
Brokerage	1,112,508	13,540,123
Total (b)	1,112,508	13,540,123
Deferred tax assets (net) {(a)-(b)}	95,031,928	143,268,184
Deferred tax asset recognised in the balance sheet	Nil	Nil

Deferred tax asset is recognised only to the extent of deferred tax liability. Since the Company has business loss as per tax returns, no Deferred tax asset has been recognised in the Balance Sheet in absence of virtual certainty that assets can be realised in the future.

23 Capital commitments

The Company has capital commitments in respect of software amounting to ₹ 472,000 during the current year (Previous year: ₹ 472,000).

24 Employee benefits

In accordance with the provisions of Accounting Standard 15 on 'Employee Benefits' as specified under Section 133 of the Companies Act, 2013:

- a) The Company has recognised an amount of ₹ 9,195,733 (Previous Year ₹ 9,525,703) in the Statement of Profit and Loss towards contribution to Provident Fund which is a defined contribution plan.
- b) The amount on account of write back of leave encashment during the year is ₹ 63,737 (Previous Year expense charged of ₹ 273,669).
- c) Total amount of gratuity expense charged during the year ₹ 4,255,830 (Previous Year ₹ 1,992,155)

BNP Paribas Asset Management India Private Limited
Notes forming part of the financial statements as at and for the year
ended March 31, 2020
(Currency: Indian Rupee)

i.) Defined Benefit Plan - Gratuity

Changes in the Present Value of the Obligation and in the Fair Value of the Assets

	Current Year	Previous year
Present Value of Obligation beginning of the period	12,573,771	11,551,329
Interest Cost	734,740	839,945
Current Service Cost	2,865,789	2,794,554
Past Service Cost	-	-
Benefits Paid	(3,016,829)	(969,713)
Actuarial (gain) loss on Obligation	655,301	(1,642,344)
Present Value of Obligation end of the period	13,812,772	12,573,771

Balance Sheet Recognition

	Current Year	Previous year
Present Value of Obligation	13,812,772	12,573,771
Fair Value of Plan Assets	-	-
Liability (Assets)	13,812,772	12,573,771
Unrecognised Past Service Cost	-	-
Liability (Asset) recognised in the Balance Sheet	13,812,772	12,573,771

Profit & Loss – Expenses

	Current Year	Previous year
Current Service Cost	2,865,789	2,794,554
Interest Cost	734,740	839,945
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the year	655,301	(1,642,344)
Past Service Cost	-	-
Expenses Recognised in the Statement of Profit & Loss	4,255,830	1,992,155

Actuarial (Gain)/Loss Recognized

	Current Year	Previous year
Actuarial (Gain)/Loss for the period (Obligation)	655,301	(1,642,344)
Actuarial Gain/(Loss) for the period (Plan Assets)	-	-
Total Actuarial (Gain)/Loss for the period	655,301	(1,642,344)
Actuarial (Gain)/Loss recognized for the period	655,301	(1,642,344)
Unrecognized Actuarial (Gain)/Loss at end of period	-	-

BNP Paribas Asset Management India Private Limited
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Movement in the Net Liability recognised in the Balance Sheet

	Current Year	Previous year
Opening Net Liability	12,573,771	11,551,329
Expenses	4,255,830	1,992,155
Benefits Paid	(3,016,829)	(969,713)
Closing Net Liability	13,812,772	12,573,771

Experience Adjustment

Particulars	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Liability at the end of the year	13,812,772	12,573,771	11,551,329	10,209,248	7,860,112
Actuarial (gain) / loss on obligation :					
Experience Adjustment	473,236	(674,663)	(615,316)	(273,392)	(753,802)
Assumption Change	182,065	(967,681)	(287,083)	638,692	(37,494)
Total	655,301	(1,642,344)	(902,400)	365,299	(791,296)

Obligation	Current Year	Previous year
Current	1,778,807	1,987,341
Non-current	12,033,966	10,586,430
Total	13,812,772	12,573,771

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

Assumptions:	Current Year	Previous Year
Valuation method	Projected unit credit method	Projected unit credit method
Discount rate	6.64%	7.59%
Salary growth rate	5.00%	6.00%
Normal retirement age	60 years	60 years
Attrition rate	15 %	18 %
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Amortization of actuarial loss /(gain)	Immediate	Immediate

• **Discount rate:**

The discount rate is based on the prevailing market yields of Government Securities as at the Balance Sheet date for the estimated balance term of the obligations.

• **Salary growth rate:**

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

The information has been certified by the actuary and has been relied upon by the Auditors.

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(Currency: Indian Rupee)

ii.) Leave / Other long term benefits

Changes in the Present Value of the Obligation and in the Fair Value of the Assets

	Current Year	Previous year
Present Value of Obligation beginning of the Period	407,714	134,045
Interest Cost	20,659	10,174
Current Service Cost	7,320	12,491
Past Service Cost	-	-
Benefits Paid	(193,167)	-
Actuarial (gain) loss on Obligation	(91,716)	251,004
Present Value of Obligation end of The Period	150,810	407,714

Balance Sheet Recognition

	Current Year	Previous year
Present Value of Obligation	150,810	407,714
Fair Value of Plan Assets	-	-
Liability (Assets)	150,810	407,714
Unrecognised Past Service Cost	-	-
Liability (Asset) recognised in the Balance Sheet	150,810	407,714

Profit & Loss - Expenses

	Current Year	Previous year
Current Service Cost	7,320	12,491
Interest Cost	20,659	10,174
Expected Return on Plan Assets	-	-
Net Actuarial (gain) loss recognised in the year	(91,716)	251,004
Past Service Cost	-	-
Expenses Recognised in the Statement of Profit & Loss	(63,737)	273,669

Actuarial (Gain)/Loss Recognized

	Current Year	Previous year
Actuarial (Gain)/Loss for the period (Obligation)	(91,716)	251,004
Actuarial Gain/(Loss) for the period (Plan Assets)	-	-
Total Actuarial (Gain)/Loss for the period	(91,716)	251,004
Actuarial (Gain)/Loss recognized for the period	(91,716)	251,004
Unrecognized Actuarial (Gain)/Loss at end of period	-	-

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Movement in the Net Liability recognised in the Balance Sheet

	Current Year	Previous year
Opening Net Liability	407,714	134,045
Expenses	(63,737)	273,669
Benefit Paid	(193,167)	-
Closing Net Liability	150,810	407,714

Actuarial (gain) loss on Obligation	Current Year	Previous year
Experience Adjustment	(356,982)	326,318
Assumption Change	265,266	(75,314)
Total	(91,716)	251,004

Obligation	Current Year	Previous year
Current	-	355,833
Non-current	150,810	51,881
Total	150,810	407,714

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

Assumptions:	Current Year	Previous Year
Valuation method	Projected unit credit method	Projected unit credit method
Discount rate	6.64%	7.59%
Salary growth rate	5.00%	6.00%
Normal retirement age	60 years	60 years
Attrition rate	15 %	18 %
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Amortization of actuarial loss /(gain)	Immediate	Immediate

• **Discount rate:**

The discount rate is based on the prevailing market yields of Government Securities as at the Balance Sheet date for the estimated term of the obligations.

• **Salary growth rate:**

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

The information has been certified by the actuary and has been relied upon by the Auditors.

25 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.

BNP Paribas Asset Management India Private Limited
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26 Earnings per share

In accordance with Accounting Standard 20 on 'Earnings Per Share' as specified under Section 133 of the Companies Act, 2013:

Earnings per share	Current Year	Previous Year
Net profit/(loss) after tax attributable to equity shareholders (A) - ₹	(83,450,606)	15,896,790
Total average number of equity shares outstanding at the end of the year (B) - (Nos.)	107,732,274	207,290,629
Nominal value per share	10.00	10.00
Basic & Diluted earnings per share of face value of ₹10 each (A) / (B) - ₹	(0.77)	0.08

27 Earnings in foreign exchange (on accrual basis)

Particulars	Current Year	Previous Year
Advisory income	74,712,705	97,676,872

28 Expenditure in foreign exchange (on accrual basis)

Particulars	Current Year	Previous Year
Subscription charges	-	276,819
Training expenses (Staff Welfare)	-	128,738
Information technology	13,056,475	49,142,715
Miscellaneous expenses	-	46,165

29 Particulars of unhedged foreign currency exposures

Particulars	Currency	Current Year		Previous Year	
		FCY	INR	FCY	INR
Receivables					
Trade Receivables	USD	92,478	6,971,558	103,863	7,184,344
Payables					
Provision for Expenses					
(Facility Management services)	SGD	79,140	4,169,032	77,449	3,959,516
(Facility Management services)	EURO	-	-	80,382	6,266,819

BNP Paribas Asset Management India Private Limited
Notes forming part of the financial statements as at and for the year
ended March 31, 2020

(Currency: Indian Rupee)

30 Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March, 2020	As at 31 March, 2019
	₹	₹
Claims not acknowledged as debt in respect of :		
- Income-tax demand disputed by the Company The matters in dispute are under appeal	914,510	914,510
- Other claims - Service-tax demand	51,147,723	51,147,723

31 The company is primarily engaged in the business of providing investment management advice and services to mutual funds which in the context of AS 17 on 'Segment Reporting' constitutes a single reportable segment.

32 The Company is not required to transfer any amount to the Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013.

33 Note on Corporate Social Responsibility spend

(a) Gross amount required to be spent by the company during the year. ₹ 1,538,924

(b) Amount spent during the year on:

Sr. no		In cash	Yet to be paid in cash
1	Construction/acquisition of any asset	NIL (NIL)	NIL (NIL)
2	On purposes other than (i) above	1,538,924 (2,379,110)	NIL (NIL)

Note: Figures in bracket relate to the previous year

34 Assessment of impact on Financial Statement due to Covid-19 Pandemic

The Company's main objective are to carry on the business of asset management and portfolio management services. Mutual Fund Industry is subject to market risk due to the relative volatility in markets. Due to the COVID- 19 pandemic outbreak and the consequent nationwide lockdown, which still continues, the Company's operating revenues for the year ended March 31, 2020 reflects the impact on account of a drop in the value of Asset Under Management (AUM), if any.

The Company has also assessed the impact of the pandemic on its assets including the value of its investments and trade receivables as at March 31, 2020. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material.

However, since the revenue of the Company is largely dependent on the value of the assets it manages and advises, changes in market conditions may have an impact on the revenue of the Company. Since the situation is rapidly evolving, its effect on the revenue of the Company may be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor material changes in markets and future economic conditions

BNP Paribas Asset Management India Private Limited
Notes forming part of the financial statements as at and for the year
ended March 31, 2020
(Currency: Indian Rupee)

35 Note on Scheme of Amalgamation

The Board of Directors of the BNP Paribas Asset Management India Private Limited (Company) at its meeting held on October 3rd 2019, has approved the Composite Scheme of Amalgamation ("Scheme") between the Company and Baroda Asset Management India Limited ("Baroda AMC" / "Transferor Company") with the appointed date as 1st April, 2019. The Scheme inter alia provides for amalgamation of Baroda AMC into the Company along with transfer of all assets including intangibles, liabilities, contracts, arrangements, employees, legal proceedings, permits, licenses, existing contracts etc. along with accounting treatment. The Company shall allot to all equity shareholders of Baroda AMC, 108,150,783 fully paid up equity shares of Rs. 10 each representing 50.1% of paid up share capital in the Company free and clear from all encumbrances together with all rights and benefits attaching thereto pursuant to the decided share entitlement ratio. The necessary approvals from the National Company Law Tribunal is awaited as on the date of signing these financial statements.

- 36** The figures for the previous year have been, reclassified, wherever necessary to conform with the current years classification.

For and on behalf of the Board of Directors of
BNP Paribas Asset Management India Private Limited

CHANDAN
BHATTACHARYA
Digitally signed
by CHANDAN
BHATTACHARYA
Date: 2020.05.25
17:07:14 +05'30'

Chandan Bhattacharya
Chairman
DIN: 01341570

Sharad
Kumar
Sharma
Digitally signed
by Sharad
Kumar Sharma
Date:
2020.05.25
15:10:07 +05'30'

Sharad Sharma
Managing Director & CEO
DIN: 01586742


Vineet Nayyar
Chief Financial Officer


Jyothi Krishnan
Company Secretary

Mumbai, 25 May, 2020