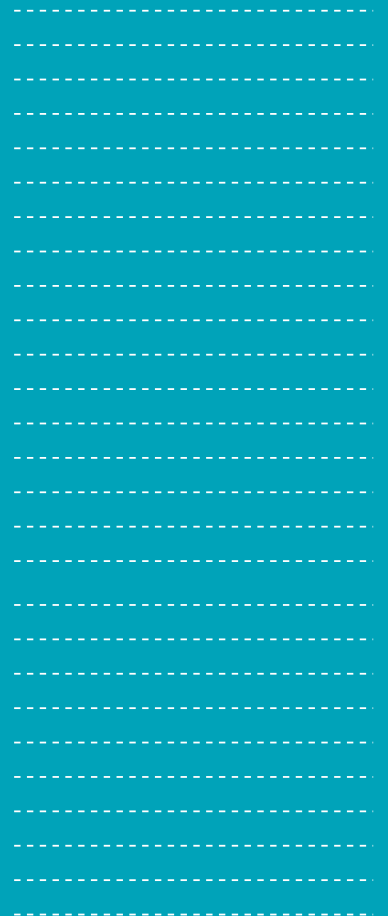


18th Audited Annual Report

2010 - 2011



**Investment Options
for a changing India.**



CANARA ROBECO

Canara Robeco Asset Management Company Ltd.
Investment Manager to
CANARA ROBECO MUTUAL FUND

BOARD OF DIRECTORS

Mr. S. Raman (Chairman)
Mr. M. Ramkumar
Ms. Hester W. D. G. Borrie
Mr. Arvind Sethi
Mr. Deveshwar Kumar Kapila
Mr. V. H. Ramakrishnan
Mr. Shital Kumar Jain

EXECUTIVES

Rajnish Narula, Chief Executive Officer
Edwin Rietkerk, Chief Operating Officer
Y. Sambasiva Rao, Divisional Manager - Canara Bank (on deputation)

AUDITORS

M/s Khimji Kunverji & Co,
Chartered Accountants,
Suite no. 52, Bombay Mutual Bldg,
P. M. Road, Fort, Mumbai - 400 001

REGISTERED OFFICE

Construction House, 4th Floor, 5, Walchand Hirachand Marg,
Ballard Estate, Mumbai 400 001

D

irectors' Report

TO THE MEMBERS :

Your Directors present their Eighteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2011.

	Year ended 31.3.2011 (₹ Lacs)	Year ended 31.3.2010 (₹ Lacs)
Profit/(Loss) before depreciation	958.43	840.52
Depreciation	94.66	95.97
Profit/(Loss) before tax	863.77	744.55
Less: Prior period items	0.00	4.90
Profit / (Loss) for the year before impairment loss and taxation	863.77	739.65
Less : Impairment Loss	1.98	1.52
Provision for Income Tax	151.00	102.00
Provision for Wealth Tax	3.62	7.18
Less: (Charge)/Credit for deferred tax asset	95.95	-
Tax Adjustment for prior periods	0.92	6.04
Profit/(Loss) for the year	610.28	634.99
Add : Balance brought forward	288.94	(333.97)
Balance carried to Balance-Sheet	899.23	301.02

Canara Robeco Asset Management Company, the joint venture between Canara Bank and Robeco Groep N.V., completed 42 months of operations on 31st March 2011.

BUSINESS RESULTS & DIVIDEND:

For the year ended March 31, 2011 the revenue of the company by way of management fees and other income earned was higher at ₹ 4700.04 Lacs as compared to ₹ 3,816.18 Lacs earned in the year ended March 31, 2010. The average assets under management stood at ₹ 7,553.15 Crores (previous year: ₹ 9220.45 Crores).

The company has incurred expenses over the past year, to the tune of ₹ 3836.27 Lacs as compared to ₹ 3072.83 Lacs incurred in the last financial year. While expenditure under personnel costs were kept under tight control, one of the significant items under expenditure was the marketing and distribution expenses incurred.

In view of the need to conserve resources of the Company to meet planned expenditure, your Directors express their inability to recommend any dividend for the year ended 31st March, 2011.

KEY PERSONNEL:

1. Mr. Vishal Modi who was appointed as Sr. Fund Manager – Equities with effect from 12th April, 2010 resigned with effect from 31st December, 2010.
2. Mr. Edwin Rietkerk was appointed as the Chief Operating Officer with effect from 16th August 2010 in place of Mr. Paul J. M. Vrancken who ceased to be the Chief Operating Officer with effect from 16th August, 2010
3. Mr. Vijay Sharma who was appointed as Sr. Fund Manager – Fixed Income with effect from 13th September, 2010 resigned with effect from 20th January, 2011.
4. Mr. Akhil Mittal resigned as Fund Manager – Fixed Income with effect from 25th November 2010 and was re-appointed as Fund Manager – Fixed Income with effect from 14th March, 2011
5. Ms. Priti Shah who was appointed as Fund Manager – Fixed Income with effect from 18th November, 2010 resigned with effect from 8th March, 2011
6. Mr. Anand Shah, Head - Equities resigned from the services of the Company with effect from 18th March 2011.
7. Mr. Yogesh Patil was designated as Fund Manger – Equity with effect from 18th March 2011.

OPERATIONS:

In tune with the market demand, the following schemes were launched during the year:

Name	Type	Initial Subscription
Canara Robeco InDiGo Fund	Open Ended Debt Fund	₹ 377.76 Crores
Canara Robeco Large Cap+ Fund	Open Ended Equity Fund	₹ 177.59 Crores
Canara Robeco Gilt Advantage Fund	Open ended Gilt scheme	₹ 45.6199 Crores
CR Fixed Maturity Plan Series 6 14 Months Plan A	Close Ended Fixed Maturity Debt Scheme	₹ 21.9483 Crores
CR Fixed Maturity Plan Series 6 13 Months Plan A	Close Ended Fixed Maturity Debt Scheme	₹ 206.4033 Crores
CR Fixed Maturity Plan Series 6 13 Months Plan B	Close Ended Fixed Maturity Debt Scheme	₹ 259.1129 Crores
Canara Capital Protection Oriented Fund- Series 1- 36 Months (Plan A)	Close ended Capital Protection Oriented Fund	₹ 35.5199 Crores

Apart from capital appreciation under growth plans of various Schemes and daily/weekly dividends in Canara Robeco Liquid, Canara Robeco Treasury Advantage, Canara Robeco Floating Rate and Canara Robeco Interval Funds and Canara Robeco Fixed Maturity Plans, the following Schemes declared dividends during the year under dividend plans:

- Canara Robeco Income : ₹ 0.50 per unit (5%) (twice during the year) &
₹ 0.25 per unit (2.5%)
- Canara Robeco Monthly Income Plan: ₹ 0.50 per unit (5%) &
₹ 0.30 per unit (3%) (twice during the year)
- Canara Robeco F.O.R.C.E. Fund : ₹ 1.00 per unit (10%)
- Canara Robeco InDiGo Fund: ₹ 0.15 per unit (1.5%)
₹ 0.10 per unit (1%)
- Canara Robeco Equity Tax Saver: ₹ 2.00 per unit (20%)
₹ 1.00 per unit (10%)
- Canara Robeco Dynamic Bond: ₹ 0.16 per unit (1.6%)

As on 31st March, 2011, the Company was managing 27 schemes of Canara Robeco Mutual Fund, of which 16 were debt oriented schemes, 8 were equity oriented schemes and 3 were hybrid schemes.

As on 31st March, 2011, the Average Assets under Management of Canara Robeco Mutual Fund stood at ₹ 7,553.15 Crores (previous year: ₹ 9220.45 Crores).

During the year under review, the Company has received certificate of registration for Portfolio Manager under Securities Exchange Board of India (Portfolio Manager) Regulations, 1993. Pursuant to the said registration, the Company provides non-binding advisory services for Indian securities to Robeco Hong Kong Ltd.

RECOGNITION AND AWARDS:

The Canara Robeco Investment Team delivered good performance throughout the year in the fixed income and equity asset classes. This performance has been recognized by the various awards conferred upon us recently.

The Canara Robeco Equity Diversified & Canara Robeco Equity Tax Saver Funds were awarded the Best Fund: Equity: Large Cap and Mid Cap Category & Tax Planning Category award respectively at the NDTV Profit Mutual Fund Awards 2010. Canara Robeco Income Fund was awarded the Best Fund in Open Ended Debt – Long Term category by ICRA, Morning Star and CRISIL CNBC at their respective awards ceremony held in February 2011. Canara Robeco Equity Tax Saver also bagged the runner-up award for Equity Tax Planning Category at the Morning Star Awards before being adjudged as the Best Equity Tax Planning Fund at the Businessworld Mutual Fund Awards. Also, Ritesh Jain (Head - Fixed Income) was accorded as the "Best Debt Fund Manager - Canara Robeco Income" at the Businessworld Mutual Fund Awards.

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

Your Company, being a non-banking non-financial Company, no specific comments in terms of the provisions of Section 217 (1) (e) of the Companies Act, 1956 are called for on conservation of energy and technology absorption. Your Company has, however, used information technology relevant to its business in keeping with the size of its operations.

Expenditure in foreign currency aggregated to ₹ 55.44 Lacs (previous year : ₹ 97.24 lacs).

FIXED DEPOSITS:

The Company has not invited/accepted deposits from members/public. The Reserve Bank of India has classified the Company as a non-banking non-financial company.

PARTICULARS OF EMPLOYEES:

Information required to be provided under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is given in the separate Annexure.

DIRECTORS:

During the year, the following changes in the composition of the Board of Directors took place:

Appointment:

1. Mr. S. Raman was appointed as a Nominee Director from Canara Bank on the Board of Directors w.e.f. 15th September, 2010.

Resignation:

1. Mr. A. C. Mahajan resigned from the Board and ceased to be a Director with effect from 31st July, 2010.
2. Mr. C.T.L. Korthrout resigned from the Board and ceased to be a Director with effect from 1st October, 2010.

Your Directors place on record their deep appreciation of the services rendered by Mr. A. C. Mahajan and Mr. C.T.L. Korthrout during their tenure on the Board.

Mr. D. K. Kapila & Mr. V. H. Ramakrishnan hold the office of Director liable to retirement by rotation and accordingly retire by rotation at the Annual General Meeting and are eligible for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT :

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

- (a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures ;
- (b) they have, in the selection of accounting policies, consulted the statutory auditors and have applied them consistently and made judgements 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/(loss) for that period ;
- © they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, as amended, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- (d) they have prepared the Annual Accounts on a going concern basis.

AUDIT COMMITTEE:

The Audit Committee of the Board comprises of Mr. Arvind Sethi, Mr. D. K. Kapila, Mr. M. Ramkumar and Ms. Hester W D G Borrie.

The Committee reviews reports of the internal and statutory auditors placed before them, from time to time.

AUDITORS:

Under Section 619 of the Companies Act, the Auditor of the Company shall be appointed by the Comptroller of Auditor General of India, New Delhi. Under Section 224(8)(aa) of the Companies Act, 1956, the remuneration of Auditors appointed under Section 619 by the Comptroller and Auditor General of India, shall be fixed by the Company in the General Meeting. Accordingly, notice of the Annual General Meeting will include an item pertaining to remuneration of the Auditors for the year 2011-2012.

ACKNOWLEDGEMENTS :

Your Directors wish to place on record their gratitude for the support and guidance received from SEBI, Board of Trustees of Canara Robeco Mutual Fund, joint venture partners, Canara Bank and Robeco Groep N.V., confidence reposed by the investor community and the dedicated work put in by the staff at all levels in the Company.

For and on behalf of the Board of Directors

Place: Bangalore
Date : 28th April, 2011

S. RAMAN
CHAIRMAN

Auditors' Report

The Members

CANARA ROBECO ASSET MANAGEMENT COMPANY LIMITED

1. We have audited the attached Balance Sheet of CANARA ROBECO ASSET MANAGEMENT COMPANY LIMITED (hereinafter referred to as "the Company") as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion
3. As required by the Companies (Auditor's Report) Order, 2003 (hereinafter referred to as "the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, (hereinafter referred to as "the Act") we enclose in the Annexure statement on the matters specified in paragraphs 4 and 5 of the said Order
4. Further to our comments in the Annexure referred to above, we report that:
 - 4.1 We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 4.2 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;
 - 4.3 The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the aforesaid books of account;
 - 4.4 In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - 4.5 On the basis of written representation received from directors as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of section 274 (1) (g) of the Act.
 - 4.6 In our opinion and to the best of our information and according to the explanations given, the said accounts read together with notes appearing in Schedule M of "Significant Accounting Policies and Notes to accounts" give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - 4.6. 1 In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - 4.6. 2 In the case of the Profit and Loss Account, of the 'Profit' of the Company for the year ended on that date; and
 - 4.6. 3 In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For and on behalf of
KHIMJI KUNVERJI & CO
Chartered Accountants
Firm Registration No: 105146W

Sd/-

HASMUKH B DEDHIA
Partner (F-33494)

Place: Mumbai
Dated: April 29, 2011

A

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of our Auditors' Report of even date of CANARA ROBECO ASSET MANAGEMENT COMPANY LIMITED as at March 31, 2011

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As informed, physical verification of assets was carried out by the management in a phased manner and no discrepancies were observed on such verification.
- (c) The Company has not disposed off substantial part of its fixed assets during the year.
- ii) As the Company does not have any inventory, Clause 4 (ii) (a), (b) and (c) of paragraph 4 of the Order relating to inventories is not applicable to the Company.
- iii) The Company has not granted/taken unsecured loans to/from companies or parties listed in the register maintained under section 301 of the Act. Accordingly, clause 4 (iii) (b) to (g) of the order are not applicable.
- iv) In our opinion and according to the information and explanations given, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for sale of services. Further, on the basis of examination of books and records of the Company and according to the information and explanations given, and as per the checking carried out in accordance with the auditing standards generally accepted in India, neither we have observed nor we have been reported for any continuing failure to correct major weaknesses in the internal control system.
- v) According to the information and explanations given by management, we are of the opinion that there were no transactions made in pursuance of contract or arrangements that needs to be entered in the register maintained under section 301 of the Companies Act, 1956.
- vi) In our opinion and according to the information and explanations given, the Company has not accepted any deposits from the public, within the meaning of the provisions of Sections 58A and 58AA of the Act and the Rules framed there under. As informed, no order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal during the year to the Company in this regard.
- vii) In our opinion, the company has an internal audit system which commensurates with its size and the nature of its business.
- viii) As informed, the Company is not required to maintain any cost records prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- ix) (a) According to the information and explanation given, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income-tax, Wealth Tax, Employees State Insurance, Investor Education & Protection fund, Service Tax, Provident fund and other material Statutory Dues applicable to it. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Act, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same. There are no arrears of such statutory dues as at March 31, 2011 for a period of more than six months from the date they became payable. As informed, statutory dues in the nature of Sales tax, Custom duty and Excise duty are currently not applicable to the Company.
- (b) According to the information and explanations given, there are no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
- x) The Company does not have accumulated losses at the end of financial year and has not incurred cash losses during the financial year and in immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given, the Company does not have any dues payable to financial institutions or bank or debenture holders and hence there is no question of default in repayment of such dues during the year.
- xii) According to the information and explanations given and based on the documents and records produced, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) Since the Company is not a chit fund, nidhi, mutual benefit fund or a society, clause 4(xiii) of the Order is not applicable to the Company.
- xiv) In our opinion and on the basis of information and explanations given, the company has maintained proper record of transactions and contracts in respect of dealing or trading in shares and securities and timely entries have been made therein. The shares, securities, debentures & other investments have been held by the Company in its own name.
- xv) According to the information and explanations given, the Company has not given any guarantee for loans taken by others from banks or financial institutions
- xvi) According to the information and explanations given, the Company has not obtained/availed any term loans, accordingly clause 4 (xvi) of the Order is not applicable to the Company.
- xvii) According to the information and explanations given, no funds raised on short term basis have been used for long term investment
- xviii) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act
- xix) Since the Company has not issued any debentures, clause 4 (xix) of the Order is not applicable to the Company.
- xx) Since the Company has not raised any money through a public issue during the year, clause 4(xx) of paragraph 4 of the Order is not applicable to the Company

xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of such case by the management.

For and on behalf of
KHIMJI KUNVERJI & CO
Chartered Accountants
Firm Registration No: 105146W

Sd/-

HASMUKH B DEDHIA
Partner (F-33494)

Place: Mumbai
Dated: April 29 2011

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF CANARA ROBECO ASSET MANAGEMENT COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2011.

The preparation of financial statements of Canara Robeco Asset Management Company Limited for the year ended 31 March 2011 in accordance with the financial Reporting framework prescribed under the Companies Act, 1956 is the responsibility of The management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is Responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and Assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report Dated 29 April , 2011.

I, on behalf of the Comptroller and Auditor General of India, have decided not to Review the report of the Statutory Auditor on the account of Canara Robeco Asset Management Company Limited for the year ended 31 March 2011 and as such have no comments to make under Section 619(4) of the companies Act,1956.

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

Sd/-
(Alka R.Bhardwaj)
Principal Director of Commercial Audit
& Ex-Officio Member, Audit Board-I, Mumbai

Place : Mumbai
Date : 17 June 2011

B

alance Sheet as at 31st March, 2011

	Sch	As at 31st March 2011 (₹)	As at 31st March 2010 (₹)
I SOURCES OF FUNDS			
(1) Shareholder's funds			
(a) Share Capital	A	201,043,570	201,043,570
(b) Reserves & Surplus	B	208,033,433	147,004,678
(2) Deferred Tax Liability (Net)		9,595,326	-
Total		418,672,329	348,048,248
II APPLICATION OF FUNDS			
(1) Fixed Assets	C		
(a) Gross Block		142,451,875	192,637,148
(b) Less : Depreciation		78,375,105	98,408,151
Net Block		64,076,770	94,228,997
(2) Investments	D	283,106,834	202,032,655
(3) Current Assets, Loans & Advances			
(a) Sundry Debtors	E	69,169,177	28,953,995
(b) Cash and Bank Balances	F	9,968,862	9,321,992
(c) Loans & Advances	G	73,275,787	103,513,843
Total		152,413,826	141,789,831
Less : (a) Current Liabilities	H	75,801,310	86,028,257
(b) Provisions	I	5,123,791	3,974,978
Total		80,925,101	90,003,235
Net Current Assets		71,488,725	51,786,596
Total		418,672,329	348,048,248

Significant Accounting Policies & Notes to Accounts
Schedules referred in above form an integral part of the Accounts

As per our report of even date
For Khimji Kunverji & Co.,
Chartered Accountants

S. Raman
Chairman

D.K.Kapila
Director

Edwin Rietkerk
Chief Operating Officer

Hashmukh B. Dedhia
Partner

Rajnish Narula
Chief Executive Officer
Place : Bangalore

Jignesh Modi
Company Secretary
Date : 28th April, 2011

Place : Mumbai
Date : 29th April, 2011

P

Profit & Loss Account for the year ended 31st March, 2011

	Sch	As at 31st March 2011 (₹)	As at 31st March 2010 (₹)
INCOME			
Management Fee		382,975,940	357,657,024
(TDS ₹ 1,44,49,409 Pr.Yr. ₹ 2,36,69,285)			
Advisory Fees		10,435,246	891,484
Dividend on current investments		11,574,179	2,807,983
Profit on sale of investments			
- Current Investments		-	3,225,322
Profit/Loss on sale of Fixed Assets		50,494,336	14,576,266
Other Income	J	14,524,734	2,460,272
Total		470,004,435	381,618,351
EXPENDITURE			
Employees' Remuneration and Benefit	K	203,123,149	139,992,635
Administrative Expenses	L	171,037,775	157,572,946
Depreciation		9,466,802	9,597,691
Total		383,627,726	307,163,273
PROFIT/(LOSS) FOR THE YEAR BEFORE IMPAIRMENT LOSS, TAXATION & PRIOR PERIOD ITEMS		86,376,709	74,455,078
Less : Prior Period Items		-	490,000
PROFIT/(LOSS) FOR THE YEAR BEFORE IMPAIRMENT LOSS & TAXATION		86,376,709	73,965,078
Less : Impairment Loss		198,459	152,150
Provision for Income Tax		15,100,000	10,200,000
Deferred Tax (Credit) / Charge		9,595,326	-
Provision for Wealth Tax		362,050	717,500
PROFIT/(LOSS) FOR THE YEAR AFTER TAX		61,120,874	62,895,428
Less : Tax adjustments for prior periods		92,120	603,788
PROFIT/(LOSS) FOR THE YEAR AFTER IMPAIRMENT LOSS & TAXATION		61,028,754	63,499,217
Balance brought forward		28,894,449	(33,397,192)
Balance carried to Balance-Sheet		89,923,203	30,102,025
Earnings Per Share (Face Value of ' 10/- each)			
Basic and Diluted		3.04	5.55
(Refer note no.(B)(10) of Schedule 'M')			
Significant Accounting Policies & Notes to Accounts	M		
Schedules referred in above form an integral part of the Accounts			

As per our report of even date
For Khimji Kunverji & Co.,
Chartered Accountants

S. Raman
Chairman

D.K.Kapila
Director

Edwin Rietkerk
Chief Operating Officer

Hashmukh B. Dedhia
Partner

Rajnish Narula
Chief Executive Officer
Place : Bangalore

Jignesh Modi
Company Secretary
Date : 28th April, 2011

Place : Mumbai
Date : 29th April, 2011

S

Schedules forming part of the Balance Sheet as at 31st March, 2011

	As at 31st March 2011 (₹)	As at 31st March 2010 (₹)
SCHEDULE 'A' - SHARE CAPITAL		
AUTHORISED		
5,00,00,000 Equity Shares of ₹ 10 each	500,000,000	500,000,000
(Previous year 5,00,00,000 equity shares of ₹ 10 each)		
ISSUED, SUBSCRIBED AND PAID UP :		
20,104,357 Equity Shares of ₹ 10 each fully paid up (10,253,222 Shares held by Canara Bank and its nominees and 9,851,135 shares held by Robeco India Holding B.V. (Of the above shares:5,000,000 shares were allotted to Canara Bank as fully paid-up by way of Bonus Shares by capitalization of surplus in the Profit & Loss Account)	201,043,570	201,043,570
Total	201,043,570	201,043,570
SCHEDULE 'B' - RESERVES AND SURPLUS		
General Reserve		
Balance as per Last Balance Sheet	96,758,788	96,758,788
Total (A)	96,758,788	96,758,788
Share Premium Account	21,351,442	21,351,442
Total (B)	21,351,442	21,351,442
Surplus in Profit & Loss Account	89,923,203	28,894,449
Total (C)	89,923,203	28,894,449
Total (A+B+C)	208,033,433	147,004,678

S

chedules forming part of the Balance Sheet as at 31st March, 2011

SCHEDULE 'C' FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01.04.2010 ₹	Addition ₹	Deletion ₹	As at 31.03.2011 ₹	Upto 31.03.2010 ₹	For the Year ₹	Loss on impairment ₹	Adjustments ₹	Upto 31.03.2011 ₹	As at 31.03.2011 ₹	As at 01.04.2010 ₹
Residential Flats	85,899,564	118,178	3,128,250	82,889,492	43,211,328	2,135,027	-	1,674,362	43,671,994	39,217,498	42,688,237
Office Equipments	8,664,805	1,034,620	1,678,548	8,020,878	3,359,357	860,377	-	989,737	3,229,997	4,790,881	5,305,448
Air Conditioners	2,837,168	483,601	151,713	3,169,056	1,095,340	269,149	-	72,439	1,292,050	1,877,005	1,741,828
Comp & Peripherals	21,764,991	2,577,089	122,015	24,220,065	13,853,342	3,654,841	198,459	110,823	17,595,818	6,624,247	7,911,649
Electrical Fittings	1,636,913	223,661	65,555	1,795,019	1,374,324	91,931	-	56,778	1,409,478	385,541	262,589
Furniture & Fixtures	9,982,471	584,402	1,441,546	9,125,326	5,477,683	786,461	-	1,302,821	4,961,322	4,164,004	4,504,788
Motor Vehicle	2,907,676	-	-	2,907,676	2,087,042	307,313	-	-	2,394,356	513,320	820,634
Leasehold Improvements	2,478,011	3,761,223	-	6,239,235	470,327	1,361,701	-	-	1,832,028	4,407,207	2,007,684
Subtotal	136,171,598	8,782,774	6,587,628	138,366,747	70,928,744	9,466,802	198,459	4,206,959	76,387,043	61,979,704	65,242,856
Assets held for disposal											
Residential flats	56,465,550	-	52,380,420	4,085,130	27,479,407	-	-	25,491,346	1,988,061	2,097,069	28,986,143
Total	192,637,148	8,782,774	58,968,048	142,451,875	98,408,151	9,466,802	198,459	29,698,305	78,375,105	64,076,770	94,228,997
Previous Year	223,724,608	6,735,642	37,823,103	192,637,148	110,118,200	9,597,691	152,150	21,459,891	98,408,151	94,228,997	-

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Schedules forming part of the Balance Sheet as at 31st March, 2011

	As at 31st March 2011 (₹)	As at 31st March 2010 (₹)
SCHEDULE 'D'- INVESTMENTS		
CURRENT		
Trade Investment		
Unquoted		
Investment in units of Canara Robeco Treasury Advantage Fund	283,106,834	202,032,655
F.V. ' 2281.81 lacs (Pr. Yr. '1628.36 lacs)		
NAV ' 2831.07 lacs (Pr. Yr. ' 2020.33 lacs)		
Total	283,106,834	202,032,655
Note:		
The Aggregate value of unquoted investments Cost:	283,106,834	202,032,655
SCHEDULE 'E'- SUNDRY DEBTORS		
(Unsecured and considered good)		
Debts outstanding for a period exceeding six months	-	-
Others	69,169,177	28,953,995
Total	69,169,177	28,953,995
SCHEDULE 'F'- CASH & BANK BALANCES		
Cash on Hand	63,849	64,366
Balance with Scheduled Banks in		
- Current Accounts	9,905,013	9,257,627
Total	9,968,862	9,321,992
SCHEDULE 'G'- LOANS & ADVANCES		
(Secured and considered good)		
Staff Loans	175,330	283,030
(Unsecured and considered good)		
Security Deposit	12,720,814	9,363,297
Other Deposit	-	633,585
Taxes paid in respect of earlier years (Net of Provisions)	36,039,697	49,317,260
Taxes paid for A.Y.2011-12 (Net of Provisions)	-	13,617,615
Staff Loans & Advances	205,676	332,768
Other advances	24,134,269	29,966,287
Total	73,275,787	103,513,843

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Schedules forming part of the Balance Sheet as at 31st March, 2011

	As at 31st March 2011 (₹)	As at 31st March 2010 (₹)
SCHEDULE 'H' - CURRENT LIABILITIES		
Sundry Creditors		
- Dues to Small Scale Industrial Undertakings (Refer Note (B)(5) of Schedule 'M')		
- Others	-	203,665
Other Liabilities	75,567,520	85,685,534
Retention Money	233,790	139,058
Total	75,801,310	86,028,257
SCHEDULE 'I' - PROVISIONS		
Provision For Taxation (net)	987,681	717,500
Leave Encashment	3,573,971	2,794,025
Gratuity	562,139	463,453
Total	5,123,791	3,974,978

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Schedules forming part of the Profit & Loss A/C for the Year ended 31st March, 2011

	As at 31st March 2011 (₹)	As at 31st March 2010 (₹)
SCHEDULE 'J'- OTHER INCOME		
Financial Consultancy income	9,403,350	-
Interest on Staff Loans/Security Deposits	26,234	57,372
Interest on IT Refund	3,433,086	699,103
Rent Income	1,178,400	1,682,400
(TDS ₹ 24,960 /- Pr. Yr. ₹ 33,330/-)		
Miscellaneous Income	277,198	21,397
Sundry Creditor's Balance Written Back	206,466	
Total	14,524,734	2,460,272
SCHEDULE 'K'- EMPLOYEES' REMUNERATION & BENEFITS		
Salaries, Bonus and other allowances	173,478,670	125,349,558
Contribution to PF, Group Gratuity and other Funds	12,516,171	5,330,169
Other Welfare expenses	17,128,308	9,312,909
Total	203,123,149	139,992,635
SCHEDULE 'L' - ADMINISTRATIVE EXPENSES		
Advertisement & Publicity	2,924,622	9,659,852
Business Development Expenses	4,394,125	5,324,814
Computer software & development	8,694,927	12,245,296
Directors Sitting Fees	480,000	400,000
Distribution & Marketing Expenses	56,420,543	43,427,940
Donations	154,701	225,000
Electricity & Water Charges	5,418,077	5,333,998
Foreign Exchange Loss	(33,586)	(3,097,445)
Fund Accounting	8,203,183	8,198,692
Insurance	181,418	161,513
Legal and Professional Charges	5,163,197	4,845,887
Payment to Statutory Auditors		
— Audit Fees	375,000	300,000
— Others	100,000	100,000
— Reimbursement of expenses	2,200	-
Payment to other Auditors	745,758	566,925
Miscellaneous Expenses	1,492,744	4,677,095
Postage , Telegrams & Telephone	9,346,481	7,968,747
Printing & Stationery	5,159,169	5,419,966
Rates & Taxes	229,694	180,072
Recruitment, Seminar & Training	1,818,233	1,835,696
Rent	20,856,051	17,666,162
Repairs & Maintenance		
- Building	3,776,340	3,165,474
- Others	6,553,554	5,725,495
Scheme Expenses	23,600	805,530
Subscription	13,473,506	9,847,081
Travelling & Conveyance	15,084,240	12,589,158
Total	171,037,775	157,572,946

SCHEDULE FORMING PART OF THE ACCOUNTS**SCHEDULE 'M' ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****A SIGNIFICANT ACCOUNTING POLICIES**

The following accounting policies have been applied in dealing with items which are considered material in relation to the Company's Accounts:

A.1 Basis of preparation of Accounts:

The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and comply with the applicable Accounting Standards prescribed in the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956 (the Act). Except otherwise mentioned, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') requires that the Company's management make estimates and assumptions that affect the reported amounts of income and expenses for the year, reported balances of assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates/assumptions.

A.2 Revenue Recognition

Revenue is recognized when there is certainty of ultimate collection. Management fee is recognized at specified rates provided in the offer document of the relevant schemes applied on the average daily net assets of each scheme on accrual basis as per SEBI regulations. Divided income is recognised when the right to receive payment is established. All expenses and income to the extent ascertainable with reasonable certainty are accounted on accrual basis.

A.3 Fixed Assets

Fixed Assets are stated at cost of acquisition or construction including incidental costs related to their acquisition /installation less accumulated depreciation /amortization.

A.4 Depreciation

Depreciation on various assets is provided on written down value method at the rates provided in Schedule XIV of the Act except in the case of Electrical Fittings which is based on management's estimates of useful life of the asset on which depreciation is charged @20%. Expenditure on fixtures in leased premises is depreciated over the lease period. Depreciation on the Fixed Assets added/disposed off/discarded during the year is provided on pro rata basis. Leasehold improvements are amortized over a period equivalent to the initial period of lease from date of capitalization.

A.5 Foreign Exchange Transactions

Transactions in foreign currency are recorded at a rate that approximates the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange prevailing on the Balance Sheet date. Exchange differences arising on foreign currency transactions are recognized in the Profit and Loss Account.

A.6 Investment

Long-term investments are stated at cost. The excess of cost over face value is amortised over the period of holding of investment up to redemption. The provision for diminution in value of investments is made, if such diminution in the opinion of the management is other than temporary. Current investments are stated at lower of cost and fair market value.

A.7 Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased Assets are classified as operating leases. Operating lease payments/receipts are recognized as an expense/income in the profit and loss Account.

A.8 Employee and Retirement Benefits

- (i) Provident Fund is a defined contribution scheme and the contributions are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due.
- (ii) The Company contributes to an approved Group Gratuity Policy with the Life Insurance Corporation of India. Gratuity liability are defined benefit obligations and are provided for on the basis of an actuarial valuation as per AS 15 (Revised) made at the end of each financial year based on the projected unit cost method.
- (iii) Short term compensated absences are provided for based on estimates.
- (iv) Actuarial gains/losses are immediately taken to the profit and loss account and are not deferred.
- (v) Gratuity and Leave encashment in respect of deputed employees is calculated as per the terms of deputation and provided in the accounts on accrual basis.

A.9 Earnings Per Share

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra ordinary items. Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potential dilutive equity shares.

A.10 Taxes on Income Tax expense comprises of current and deferred tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book

and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet Date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future. Deferred tax assets, in case of unabsorbed losses and unabsorbed depreciation, are recognised only if there is virtual certainty that such deferred tax asset can be realised against future taxable profits.

A.11 Impairment of Fixed Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factor. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss if any, is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

A.12 Contingent Liabilities and Provisions :

Contingent liabilities where outflow is possible but not probable to the extent not provided are disclosed by the way of note. Provisions are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

A.13 Software Expenses :

Expenses on subscription, licence fees and costs towards right to use/access of application software are charged to revenue account in the year in which they are incurred.

A.14. Scheme Expenses

Recurring expenses of the schemes of Canara Robeco Mutual Fund in excess of limits prescribed under the SEBI Regulations are charged to P & L account in the year end in which they are incurred.

Upfront brokerage/ commission paid to distributors for Equity Linked Saving Schemes of Canara Robeco Mutual Fund are treated as prepaid expenses incurred for the year and such brokerage and commission are expensed out over a period of three year. Any other brokerage/commission is expensed in the year in which they are incurred.

B NOTES ON ACCOUNTS

B.1 Contingent Liability

Contingent Liability to Canara Bank on receipt of Claim/Settlement of dispute towards property tax & other charges pertaining to the building occupied by the company till 30/9/03. The sum involved is not quantified.

B.2 Income from Management Fee includes ₹ 1,04,66,854/- (previous year ₹ 1,08,03,578/-) from Canbank Mutual Fund - General Administration Dept. (CMF - GAD) & Erstwhile Unitholders Account for the year 2010-2011. The accounts of CMF - GAD & Erstwhile Unitholders Account for the year 2010-2011 are not yet audited and hence the amount of ₹ 1,04,66,854/- has been taken as income on the basis of certificate obtained from the statutory auditors of CMF - GAD.

B.3 Details of remuneration paid to CEO

Remuneration payable to the CEO (Manager) appointed with effect from September 26, 2007, being in excess of the limits prescribed under sections 198, 269 of the Act and provisions of Schedule XIII to the Act, though accrued in the books of accounts was not paid. Upon subsequent decision to pay the CEO's remuneration upto the maximum permissible limit in accordance with the provisions of the Act, the excess amount provided in earlier years has been reversed during the year 2009-10. Had the said excess provision not been reversed, the 'Employee's Remuneration and Benefit' for the year 2009-10 would have been ₹ 187,947,206 instead of ₹ 139,992,635.

Accordingly the details of remuneration now paid to CEO stands at

(₹ in '000)

	2010-2011 (₹)	2009-2010 (₹)
Salary and Allowances	3,000	3,000

B.4 Earnings in foreign currency (on accrual basis)

(₹ in '000)

	CURRENT YEAR	PREVIOUS YEAR
(i) Advisory Fees, Consultancy Fees	19,839	891

Expenditure in foreign currency – Accrued

(₹ in '000)

	CURRENT YEAR	PREVIOUS YEAR
(i) Expenditure in foreign currency		
Travel	1,443	915
Salary / Reimbursement	3,102	5,853
Subscription & Gifts	999	2,956

B.5 (a) **Current Liabilities and Provisions**

Based on the information available with the Company, there are no amounts due to Micro Small and Medium Enterprises as defined in Micro Small and Medium Enterprises Development Act, 2006 on account of principal and/or interest as at the close of the year.

(b) **Current Assets Loans & Advances**

In the opinion of the management current assets, loans and advances have a value of realization in the ordinary course of business at least equal to the amount at which they are stated.

B.6 **Employee Benefits**1. **Defined Contribution Plan**

An amount of ₹ 66,34,863/- (Previous Year. ₹ 41, 90,091/-) has been recognized as an expense towards contribution to Employees Provident fund. This includes an amount of ₹ 9,70,372/- being shortfall on account of mandatory interest which is considered as defined benefit plan. The future shortfall if any, being actuarially not ascertained has not been provided.

2 (a) **Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarises the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet.

Profit and Loss Account**Net employee benefit expense (recognised in Employee Cost)**

	Gratuity March 31, 2011 ₹	Gratuity March 31, 2010 ₹
Current service cost	844,609	917,855
Interest cost on benefit obligation	522,740	447,842
Expected return on plan assets	(427,929)	(372,208)
Net actuarial (gain) / loss recognised in the year	(426,430)	(650,882)
Past Service Cost	271,744	-
Net benefit expense	3,230,435	342,607
Actual return on plan assets	536,993	290,518

Balance sheet**Details of Provision for gratuity**

	Gratuity March 31, 2011 ₹	Gratuity March 31, 2010 ₹
Defined benefit obligation	8,734,301	5,769,613
Fair value of plan assets	(8,282,912)	(5,333,700)
Less : Unrecognised past service cost	4,51,389	4,35,913

Changes in the present value of the defined benefit obligation are as follows:

	Gratuity March 31, 2011 ₹	Gratuity March 31, 2010 ₹
Opening defined benefit obligation	5,769,613	5,262,742
Interest cost	522,740	447,842
Current service cost	844,609	917,855
Benefits paid	(802,740)	(126,254)
Actuarial (gains)/ losses on obligation	(317,366)	(732,572)
Closing defined benefit obligation	8,734,301	5,769,613

Changes in the fair value of plan assets are as follows:

	Gratuity March 31, 2011 ₹	Gratuity March 31, 2010 ₹
Opening fair value of plan assets	5,333,700	4,250,719
Expected return	427,929	372,208
Contributions by employer	3,214,959	918,717
Benefits paid	(802,740)	(126,254)
Actuarial gains / (losses)	109,064	(81,690)
Closing fair value of plan assets	8,282,912	5,333,700

The Company expects to contribute ₹20,00,000 to gratuity funded with Life insurance corporation of India in 2011-12.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity and post-employment benefit obligations for the Company's plans are shown below:

	Gratuity March 31, 2011 %	Gratuity March 31, 2010 %
Discount rate	8.20	8.25
Expected rate of return on Plan assets	7.50	7.50
Salary Escalation Rate	10% for first year & 7% thereafter	10% for first 2 years & 7% thereafter

- 2 (b) As per Company's policy, provision of ₹ 35,73,970/- (Previous Year ₹ 27,94,025/-) has been made towards Compensated absences carried forward on actual basis.
- 2 (c) The Company has provided for Bonus amounting to ₹ 4,08,96,195 (Previous Year ₹ 1,76,17,046) payable to employees based on estimates/judgment of the Management.

B.7 Segment Reporting :

Based on guiding principles given in Accounting Standard –17 "Segment Reporting", the Company's primary business segment is administering Mutual Fund Schemes. As the Company has a single primary business segment, the disclosure requirements of AS –17 in this regard are not applicable. The company's operations being confined to India only, there is no reportable secondary segment.

B.8 Related party transactions:

Related party disclosure as required by the Accounting Standard 18, "Related party Disclosures", are given below :

Holding Company	Canara Bank
Entity having significant Influence over the Company	Robeco Groep N.V. Robeco India Holding B.V.
Fellow Subsidiaries	Canbank Computer Services Ltd. (CCSL) Canbank Financial Services Ltd. (CFSL) Canbank Factors Ltd. (CFL) Canbank Venture Capital Fund Ltd. (CVCFL) Canara Bank Securities Limited (CBSL) Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd (CHOBCL)
Under Common Control of Holding Company	Canfin Homes Ltd. (CHL)
Under the common control of entity having significant Influence over the company	Robeco Hongkong Ltd Robeco Institutional Asset Management B.V.
Overseas Joint Venture	Commercial Bank of India LLC
Key Management Personnel	Members of the Management Team Comprising of : Mr. Rajnish Narula (Chief Executive Officer) Mr. Paul Vrancken (Chief Operating Officer till 16/08/2010) Mr. Edwin Rietkerk (Chief Operating Officer from 16/08/2010)
Mutual Fund managed by the company	Canara Robeco Mutual Fund (Schemes)

(₹ in '000)

Sr. No.	Nature of Transactions	Relationship	Company/Person Name	Expenditure ₹	Income ₹	Assets ₹	Liabilities ₹
1	Rent	Holding company	Canara Bank	418			NIL
				(418)			NIL
		Fellow Subsidiary	Canbank Factors Ltd.	56			NIL
				(105)			NIL
2	Bank Charges	Holding company	Canara Bank	23			
				(33)			
3	Salary & other benefits	Key Management Personnel		13,349			58
				(18,403)			(186)
		Entity having significant influence over the Co.	Robeco Groep N.V.				3,000
							(3,000)

Sr. No.	Nature of Transactions	Relationship	Company/Person Name	Expenditure ₹	Income ₹	Assets ₹	Liabilities ₹
4	Foreign Exchange Loss on above	Key Management Personnel		NIL	NIL		
				(NIL)	(3,108)		
5	Reimbursement of Salary & Other Benefits	Holding company	Canara Bank	1,072			205
				(489)			(50)
6	Reimbursement of expenses	Entity having significant influence over the Co.	Robeco Groep N.V.	NIL (2,258)			
		Under common control of entity having significant influence	Robeco Institutional Asset Mgmt B.V.	1,444 (NIL)		683 (NIL)	
7	R & T charges for Scheme & ARN holders	Fellow Subsidiary	Canbank Computer Services Ltd.	22			NIL
				(12)			(3)
8	Reimbursement of Maintenance charges	Holding company	Canara Bank	438 (439)			438 (437)
		Fellow Subsidiary	Canbank Factors Ltd.	5 (18)			
9	Rates and taxes	Fellow Subsidiary	Canbank Factors Ltd.	12			
				(24)			
10	Scheme Exp	Fellow Subsidiary	Canara Bank Securities Limited.	(NIL) (49)			
		Holding company	Canara Bank	4,130 (1,016)			
		Mutual Fund managed by company	Canara Robeco Mutual Fund (Schemes)	24 (806)			
11	Prepaid Expenses	Entity having significant influence over the Co.	Robeco Groep N.V.			NIL (2,250)	
12	Bank Balance	Holding company	Canara Bank			6,125 (2,612)	
13	Security Deposit	Fellow Subsidiary	Canbank Factors Ltd.			(53) (NIL)	
14	Share Capital	Entity having significant influence over the Co.	Robeco India B.V.				NIL (49,000)
		Holding company	Canara Bank				NIL (51,000)
15	Rent Income	Holding company	Canara Bank		230 (230)	19 (19)	
16	Sale of Fixed Asset	Holding company	Canara Bank		38,100 (NIL)		
17	Advisory fees	Under common control entity having significant influence	Robeco Hongkong Ltd		10,435 (NIL)		
18	Management fees	Mutual Fund managed by company	Canara Robeco Mutual Fund (Schemes)		382,976 (358,548)	36,057 (24,770)	
19	Brokerage	Mutual Fund managed by company	Canara Robeco Mutual Fund (Schemes)			28,277 (NIL)	
20	Investments	Mutual Fund managed by company	Canara Robeco Mutual Fund (Schemes)			283,107 (202,032)	
21	Dividend Income	Mutual Fund managed by company	Canara Robeco Mutual Fund (Schemes)		11,574 (2,808)		

- Figures in brackets represent corresponding amount of Previous Year

- Related party relationships have been identified by the management and relied upon by the auditors.

B.9 Disclosure as required by Accounting Standard – 19 'Leases':

The Company has taken various office premises under operating or leave & license agreements. These are generally not non cancelable and range between 11 months and 3 years under leave and license, or longer for other leases and are renewable by mutual consent on mutually

agreeable terms. The Company has given refundable interest free security deposits under certain agreements. Lease payments are recognized in the Profit & Loss Account under Schedule 'L'. The future minimum lease payments under not non-cancelable operating lease

(₹ in '000)

	2010-11	2009-10
Not later than 1 year	20,285	17,187
Later than 1 year & not later than 5 years	16,726	61,152
Later than five years	NIL	33,973

B.10 Earning per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating basic and diluted earnings per equity shares are as follows:

Particulars	For the year ended 31st March 2011	For the year ended 31st March 2010
A. Before Exceptional Items		
Net Profit as disclosed under Profit & Loss Account	6,10,28,754	6,22,91,640
Weighted Average no. of equity shares during the year	201,04,357	11,227,645
Basic & Diluted EPS (₹.)	3.04	5.55
B. After Exceptional Items		
Net Profit as disclosed under Profit & Loss Account	6,10,28,754	6,22,91,640
Weighted Average no. of equity shares during the year	201,04,357	11,227,645
Basic & Diluted EPS (₹.)	3.04	5.55

B.11 Deferred Taxation:

The components of Deferred tax Liabilities and Deferred tax Assets are as under:

(₹ in '000)

	As at 31.03.2011	As at 31.03.2010
Deferred Tax Liability(DTL) on account of :		
Depreciation difference	12,559	3,269
Deferred Tax Liability	12,559	3,269
Deferred Tax Asset on account of		
Gratuity Provision	182	158
Bonus u/s 43B to the extent of DTL	2,782	3,111
Total Deferred Tax Asset	2964	3269
Net Deferred Tax Liability	9595	NIL

As a measure of prudence, no Deferred tax asset for carried forward losses of earlier years has been recognized.

B.12 No other information pursuant to para 3, 4, 4C and 4D of Schedule VI to the Companies Act, 1956 is given as the same are not applicable to the Company during the year.

B.13 Other advances include an amount of ₹ 1,30,62,853/- (previous year ₹ 1,88,58,809/-) towards unamortized Brokerage paid for Equity linked saving scheme.

B.14 **Details of investment purchased and sold during the year.**

The following investments in the schemes of the fund, were purchased and sold during the year:

(₹ in '000)

	Purchase (units)	Purchase (Value)	Sale/Redemption (units)	Sale/Redemption (value)
Canara Robeco Treasury advantage Fund	22124428.7545	274500	16522797.4307	205000

B.15 Previous Years figures are regrouped and rearranged wherever necessary, to confirm to current year classification.

SIGNATURE TO SCHEDULES 'A' TO 'M'

As per our report of even date
For Khimji Kunverji & Co.,
Chartered Accountants

S. Raman
Chairman

D.K.Kapila
Director

Edwin Rietkerk
Chief Operating Officer

Hashmukh B. Dedhia
Partner

Rajnish Narula
Chief Executive Officer
Place : Bangalore

Jignesh Modi
Company Secretary
Date : 28th April, 2011

Place : Mumbai
Date : 29th April, 2011

Cash Flow Statement for the year ended 31st March, 2011

	2010-2011 ₹	2009-2010 ₹
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before impairment loss and taxation	86,376,709	73,965,078
Adjustments for :		
Depreciation	9,466,802	9,597,691
Loss/(Profit) on sale of Fixed assets (Net)	(50,494,336)	(14,576,266)
Loss/(Profit) on sale of Investments (Net)	-	(3,225,322)
Dividend received	(11,574,179)	(2,807,983)
Interest on Income Tax Refund Accrued	(3,433,086)	(699,103)
Provision for leave encashment	779,946	(1,307,317)
Provision for gratuity	98,686	(599,537)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	31,220,541	60,347,241
Adjustment for:		
(Increase)/Decrease in current assets	(40,215,182)	10,819,592
Increase/(Decrease) in current liabilities	(10,226,948)	(30,381,949)
(Increase)/Decrease in loans and advances	3,342,878	(2,176,470)
CASH GENERATED FROM/(USED IN) OPERATIONS	(15,878,710)	38,608,414
Taxes paid	(15,044,275)	15,375,108
NET CASH (USED IN)/FROM OPERATING ACTIVITIES (A)	(834,435)	23,233,305
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(8,782,774)	(6,735,642)
Proceeds from sale of fixed assets	79,764,077	30,939,478
Purchase of investments	(286,074,179)	(573,215,520)
Proceeds from sale of investments	205,000,000	425,278,128
Dividend received	11,574,179	2,807,982
NET CASH (USED IN)/FROM INVESTING ACTIVITIES (B)	1,481,303	(120,925,574)
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share capital	-	100,000,000
NET CASH (USED IN)/FROM FINANCING ACTIVITIES (C)	-	100,000,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)	646,869	2,307,732
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	9,321,993	7,014,262
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	9,968,862	9,321,993
CASH AND CASH EQUIVALENTS INCLUDED IN CASH FLOW STATEMENT		
COMPRISE THE FOLLOWING BALANCE SHEET AMOUNTS:		
CASH ON HAND	63,849	64,366
BALANCE WITH BANK IN CURRENT ACCOUNTS	9,905,013	9,257,627
	9,968,862	9,321,993

Note:

Previous year's figures have been regrouped / rearranged to confirm the current year's presentation, whenever necessary.

As per our report of even date
For Khimji Kunverji & Co.,
Chartered Accountants

S. Raman
Chairman

D.K.Kapila
Director

Edwin Rietkerk
Chief Operating Officer

Hashmukh B. Dedhia
Partner

Rajnish Narula
Chief Executive Officer
Place : Bangalore

Jignesh Modi
Company Secretary
Date : 28th April, 2011

Place : Mumbai
Date : 29th April, 2011

B

Balance Sheet abstract and Company's General Business Profile

I Registration Details

Registration No.	11 71003	State code 11
Balance Sheet Date	31 03 2011	
	Date Month Year	

II Capital Raised During the Year (Amount in ₹, thousands)

Public Issue	Right Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

ACADEMIC GUIDANCE

III Position of Mobilisation and Deployment of Funds (Amt. in ₹, Thousands)

	Total Liabilities	Total Assets
	418672	418672
Source of Funds	Paid - up Capital	Reserves and surplus
	201044	208033
	Secured Loans	Unsecured Loans
	NIL	NIL
Application of Funds	Net Fixed Assets	Investments
	64076	283106
	Net Current Assets	Misc. Expenditure
	71488	NIL
	Accumulated Losses	Deferred Tax Asset
	NIL	NIL

IV Performance of the Company (Amount in ₹, Thousands)

	Turnover	Total Expenditure
	470004	383627
	+/- Profit Before Tax	+/- Profit After Tax
	86376	61029
	Earning Per Share in ₹	Dividend Rate %
	3.04	NIL

V Generic Names of Three Principal products/ Services of Company (as Per Monetary terms)

Item Code No. (ITC Code)	Not Applicable
Product Description	INVESTMENT MANAGER

Sales Offices

AHMEDABAD

104, Onyx Building, Nr. IDBI Cross Roads, Nr. Rajhans Society,
Off. C.G. Road, Ahmedabad 380 009.
Email: crmf.ahmedabad@canararobeco.com
Phone: +91 079-40278936
Fax : +91 079-40264254

BANGALORE

4 & 5 Ground Floor, Business Point, Next to Brigade Towers, 137,
Brigade Road, Bangalore - 560025
Email: crmf.bangalore@canararobeco.com
Tel.: (080) 39871400/01 Fax : (080) 30901092

BHOPAL

Kay Kay Business Centre, 1st Floor, 133, Zone 1, M.P. Nagar,
Bhopal 462 011. Email: crmf.bhopal@canararobeco.com
Tel.: (0755) 3013648

CHANDIGARH

SCO 333-334, 1st Floor, Sector 35 B, Chandigarh 160 022.
Email: crmf.chandigarh@canararobeco.com
Tel: (0172) 2648007 Fax: (0172) 2600531

CHENNAI

770-A, 1st Floor, Spencer Annexe, Anna Salai,
Chennai 600 002. Email: crmf.chennai@canararobeco.com
Tel.: (044) 28492596-98 Fax: (044) 28497023

COIMBATORE

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Coimbatore 641 012.
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Tel: (0422) 2546453

DELHI

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New Delhi 110 001. Email: crmf.delhi@canararobeco.com
Tel.: (011) 23326417, Fax (011) 23354780

GOA

Kamat Chambers, Ground Floor, Shop No:3, opp Hotel Neptune.
Panjim Goa : 403001. Email: crmf.goa@canararobeco.com
Tel.: (0832) 2422415, 6450631

HYDERABAD

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Email: crmf.indore@canararobeco.com

KOCHI

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KOLKATA

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LUDHIANA

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Gandhi Marg, Punjab - 141 001.
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MANGALORE

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MUMBAI

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Ballard Estate, Mumbai 400 001.
Email: crmf.mumbai@canararobeco.com
Tel.: (022) 66585000, 66585085-86 Fax: (022) 66585012/13

NAGPUR

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Dharam Peth Extension, Nagpur 400010.
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Tel.: (0712) 6615364

PATNA

401, Aashiana, Hariniwas, 4th Floor, Dak Bungalow Road,
Patna - 800 001.
Email: crmf.patna@canararobeco.com
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PUNE

Office No. C 2, 2nd Floor, Deccan Mall, Next to Deccan Post Office,
Deccan Gymkhana Pune - 411 004.
Email: crmf.pune@canararobeco.com
Phone: +91 20 30923820/21/22/23/24 Fax: +91 20 25661454

SURAT

M - 8/9, Jolly Plaza, Athwagate, Surat - 395 001.
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TRICHY

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VADODARA

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Vadodara 390 007. Email: crmf.baroda@canararobeco.com
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VISAKHAPATNAM

Vidisha Towers, 47-14-10 Flat No. 3, 3rd Floor, Dwarkanagar Main Road,
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Tel.: (0891) 6556645, 6631616 Fax: (0891) 6631646

