

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Seventh Annual Report of your Company together with the Audited Statement of Accounts for the Financial Year ended March 31, 2013.

FINANCIAL RESULTS

The Financials Results of the Company for the year April 1, 2012 to March 31, 2013 are given below:

(Rupees in lacs)

Particulars	2012 - 2013	2011 - 2012
Gross Income	977.04	1321.82
Profit / (Loss) before depreciation	195.45	165.57
Depreciation	(8.61)	(11.02)
Profit / (Loss) for the period	186.84	154.54
Provision for taxation	(36.04)	(69.62)
Current Tax	(83.94)	(66.89)
(Short) / excess provision of earlier year	33.60	-
Deferred tax	14.30	(2.73)
Net Profit / (Loss) for the period	150.80	84.92

OPERATIONS

Your Company continues to act as the Investment Manager of Axis Infrastructure Fund 1 (AIF1) and earned revenue of Rs. 7.93 crore towards management fee during the financial year. During the year, considering the challenging investment climate and as an investor friendly gesture, the management fee was reduced to Rs. 2.04 crores instead of Rs. 5.88 crores for the period October 12 – April 13. Hence, the fee income came down from Rs. 11.88 crores in financial year ended March 31, 2012 to Rs. 7.93 crores in financial year ended March 31, 2013. Till date, AIF1 has made following draw-downs from the investors which aggregate to Rs.454.59 crores. Out of this Rs. 389.10 crore was invested in the portfolio companies.

The details of the drawdown are given below:

(Rupees in Crore)		
<u>Drawdown Date</u>	<u>Due Date</u>	<u>Amount</u>
June 20, 2008	July 6, 2008	256.20
Sept. 10, 2008	Sept. 24, 2008	50.00
Oct. 3, 2008	Oct. 17, 2008	35.40
May 21, 2009	June 5, 2009	44.32
Dec 8, 2009	Dec 22, 2009	22.04
Jul 8, 2010	Jul 22, 2010	13.42
Nov 19, 2010	Dec 3, 2010	7.19
Apr 19, 2011	May 18, 2011	6.71
Oct 21, 2011	Nov 03, 2011	7.00
Apr 17, 2012	May 02, 2012	7.32
Oct 17, 2012	Oct 31, 2012	2.50
Mar 22, 2013	Apr 04, 2013	2.50
Total		454.59

AIF1 has made the following investments till date:

<u>Investee Companies</u>	<u>Rupees in Crore</u>	<u>Investment during</u>
Corrttech International Private Limited	67.75	Jul. – Dec. 2008
Neesa Leisure Limited	76.24	Jul. – Sept. 2008
Vishwa Infrastructure & Services Private Limited	61.46	Jul. – Sept. 2008
Harish Chandra (India) Limited	122.12	Jul. – Dec. 2008
Shalivahana Green Energy Limited	61.53	Apr. 09 – Dec. 2010
Total	389.10	

AIF1 has made the following divestments till date:

Investee Companies	Rupees in Crore	Divestment during
Vishwa Infrastructure & Services (AIF1 has completely exited from this Company by selling its stake to NEA FVCI Limited and Olympus Capital)	323.63	May – Sept. 2011
Harish Chandra (India) Limited (AIF1 has completely exited from this Company by selling its stake to the Promoters / their nominees)	9.34	March 2012
Shalivahana Green Energy Limited (AIF1 has completely exited from this Company by selling its stake to AMP Capital)	87.77	May 2012
Total	420.74	

The fund does not have any outstanding investment commitments as on date.

During the year, the Company has written off the outstanding recoverable of Rs. 5.19 lacs from Harish Chandra (India) Limited. Further, the Company has written off EPABX system and Telephone instruments having gross value Rs. 10.25 lacs and net depreciated value of Rs. 2.83 lacs as on March 31, 2013.

The Company has also settled a dispute with Vinamra Universal Traders Private Limited pursuant to signing a deed of settlement and has accordingly paid Rs. 1.36 crores as settlement amount. The same has been accounted as Settlement expenses.

DIVIDEND

The Directors do not recommend a dividend for the financial year 2012-13.

DIRECTORS

During the year, Mr. Arun Korati, Managing Director & CEO resigned with effect from 31st October 31, 2012. Mr. M. M. Agrawal also resigned with effect from 16th January, 2013. The Board of Directors places on record its appreciation to Mr. Arun Korati and Mr. M. M. Agrawal for the valuable services rendered by them during their tenure as Managing Director & CEO and Director of the Company, respectively.

Mr. V. Srinivasan, who was nominated by Axis Bank Limited, was appointed as an Additional Director with effect from 5th April, 2013. He holds office of Director till the ensuing Annual General Meeting. The Company has received notice in

writing from a member signifying his intention to propose the candidature of Mr. V. Srinivasan for the office of the Director of the Company.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. S. K. Tuteja retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment as a Director of the Company.

The Board recommends their appointment as Directors at the ensuing Annual General Meeting.

Mr. Shreyans Jain was appointed as the Acting CEO of the Company (being a manager with the provisions of Section 269 of the Companies Act, 1956) with effect from 11th January, 2013.

AUDIT & REMUNERATION COMMITTEE

The Audit & Remuneration Committee was reconstituted on 5th April, 2013 and presently has Mr. Rajeev Thakore, Mr. S K Tuteja and Mr. V Srinivasan as members and is chaired by Mr. Rajeev Thakore. The Audit Committee functions in accordance with the provisions of Section 292A of the Companies Act, 1956.

PUBLIC DEPOSITS

During the year, the company has not accepted any deposits from the public under section 58A of the Companies Act, 1956.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

- i) Considering the nature of activities of the company, the provisions of Section 217(1)(e) of the Companies Act, 1956 relating to conservation of energy and technology absorption do not apply to the Company.
- ii) There was no foreign exchange earnings and outgo during the year.

EMPLOYEES

The statement containing particulars of employees as required under Section 217(2A) of the Companies Act, 1956 and the rule made there under, is given in an Annexure appended hereto and forms part of this report.

AUDITORS

The auditors, M/s H.N. Motiwalla & Co., Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for reappointment.



DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors hereby declares and confirms that:

- i) The applicable accounting standards have been followed in the preparation of the annual accounts and proper explanations have been furnished, relating to market departures.
- ii) Accounting policies have been selected and applied consistently and reasonably and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the company and of the Profit & Loss of the company for the financial year ended March 31, 2013.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies (Amendment) Act, 2000, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts of the company have been prepared on a going concern basis.

ACKNOWLEDGEMENT

The Board places on record its gratitude to Axis Bank and its officers for their support and cooperation.

The Board of Directors also places on record its gratitude to the Reserve Bank of India, Securities Exchange Board of India and other government and regulatory authorities for their support.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 10th April 2013


S K Tutuja
Chairman
DIN 00594076

Particulars of the employees:

Name	Age	Qualification	Date of employment	Designation	Remuneration (In Rupees)	Experience	Last Employment
Mr. Arun Korati	46	BE, ICWAI, MM	21-06-2007	Managing Director & CEO	1,79,71,384	24 year	Principal, NV Advisory Services
Mr. Anuj Kumar	46	CA, MBA	17-09-2008	Executive Director	1,36,27,062	21 year	Principal, Sabre Abraaj Private Equity

(Handwritten signature)

AUDITOR'S REPORT

**The Members
Axis Private Equity Limited
Mumbai**

1. We have audited the attached balance sheet of **Axis Private Equity Limited** as at March 31, 2013, 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 have 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 the 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 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order, on the basis of such checks of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of our audit.
4. Further we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper Books of Account as required by law, have been kept by the Company so far as appears from our examination of the Books of Account.
 - c) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the Books of Account.
 - d) In our opinion, the Profit & Loss Account and the Balance Sheet of the Company comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2013 from being appointed as a Director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the accounts, read together with the notes, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view.

H. N. Motiwalla & Co. (Reg.)

Chartered Accountants

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508, Sharda Chambers, 33, New Marine Lines, Mumbai - 400 020.

☎ (O) 2200 2103, 2200 5431 Fax : 2209 4331 E-Mail : hnmco@mtnl.net.in

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013
- ii) In the case of the Profit and Loss Account, of the **Profit** of the Company for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For H. N. Motiwalla & Co.
Chartered Accountants
(M. No. 111949W)



D. N. Shah
Partner

(M. No. 030566).

Place: Mumbai
Date: April 10, 2013

ANNEXURE TO THE AUDITORS' REPORT*

(*Referred to our Report of even date on the accounts of **Axis Private Equity Limited.** for the year ended March 31, 2013)

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets
(b) As explained to us, fixed assets have been physically verified by the management during the year, no material discrepancies were noticed on such verification.
(c) During the year, the company has not disposed off a substantial part of the fixed assets.
2. The company's nature of operation does not require to hold any inventory, hence this clause is not applicable
3. (a) The Company has granted loan to one party (employee trust) covered in the register maintained under section 301 of the Companies Act amounting to Rs1.25 lakhs, free of interest.
(b) The company has not taken any secured or unsecured loan from any party covered in the register maintained under section 301 of the Companies Act, 1956. Hence, reporting under this clause is not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in system of internal control.
5. (a) In our opinion and according to the information and explanations given to us, transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
(b) According to the information and explanations given to us, that the transactions made with party in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, exceeding in aggregating the value of rupees five lakhs during the year have been made at price which are reasonable having regard to prevailing market price of such goods, material and services.
6. According to the information and explanations given to us, the company has not accepted any deposit from the public as defined under the provisions of section 58A and 58AA of the Companies Act, 1956.
7. The Company has an Internal audit system.

8. No maintenance of cost record has been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Act, and hence this clause is not applicable.
9. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Custom Duty, Excise duty, cess and any other statutory dues have generally been deposited on time during the year with the appropriate authorities. There are no arrears of the aforesaid dues as on the date of the Balance Sheet outstanding for more than six months from the date they became payable.
- (b) According to the records of the Company, and according to information and explanations given to us the dues of Income-tax/Sales-tax/Wealth-tax/Service-tax/ Custom-duty/ Excise-duty/Cess which have not been deposited on account of any disputes are as under:

S. No	Name of the Statute	Nature of Dues	Amount (Rs)	Forum where dispute is pending
1.	Income tax Act, 1961	Assessment dues	3,660/-	Appeal pending with ITAT
2.	Income tax Act, 1961	Penalty u/s 271(1)(c)	36,16,668/-	Appeal with CIT(A)
3.	Service tax	Assessment dues	12,57,365/-	Appeal pending with Commissioner of Service tax

10. The Company has no accumulated losses at the end of the current financial year. The company has not incurred cash losses during the financial year and in immediately preceding financial year..
11. According to the records of the company and as per the information and explanations given to us there was no default in repayment of dues to a financial institution or bank.
12. According to the records of the company and as per the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a Chit Fund Company or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

14. The company is not dealing in shares/ securities and hence provisions of clause 4(xiv) of the order is not applicable.
15. According to the records of the company, and as per the information and explanations given to us the Company has not given guarantees for loans taken by others from banks and financial Institutions.
16. According to the records of the company, and as per the information and explanations given to us, the Company has not taken the term loan and hence provision of clause 4(xvi) of the order is not applicable.
17. According to the records of the company, and as per the information and explanations given to us and on an overall examination of the balance sheet of the Company, it has not raised funds on short-term basis, which have been used for long term investments.
18. According to the records of the company, and as per the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. According to the records of the company, and as per the information and explanations given to us the Company has no debenture outstanding as at the year-end. Therefore the question of creating a security for the same does not arise.
20. The Company has not raised any money by public issue during the year covered by our report.
21. According to the records of the company, and as per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

BALANCE SHEET AS AT MARCH 31, 2013

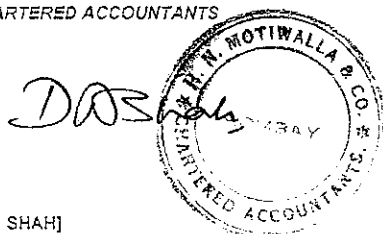
(Rs. in Lakhs)

Particulars	Note	March 31, 2013	March 31, 2012
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
- Share capital	1.1	1,500.00	1,500.00
- Reserves and surplus	1.2	530.28	379.49
- Money received against share warrants		-	-
Sub-Total (A)		2,030.28	1,879.49
2. SHARE APPLICATION MONEY PENDING ALLOTMENT			
Sub-Total (B)		-	-
3. NON-CURRENT LIABILITIES			
- Long-term Borrowings		-	-
- Deferred Tax Liabilities (net)	2.1	-	1.46
- Other Long-term Liabilities		-	-
- Long-term Provisions	2.2	17.15	12.57
Sub-Total (C)		17.15	14.06
4. CURRENT LIABILITIES			
- Short-Term Borrowings		-	-
- Trade Payables		-	-
- Other Current Liabilities		-	-
- Short-term Provisions	3.1	15.81	110.28
Sub-Total (D)		15.81	110.28
Total		2,063.24	2,003.83
II. ASSETS			
5. NON-CURRENT ASSETS			
- Fixed Assets			
Tangible Assets	4.1	4.11	11.47
Intangible Assets	4.1	4.27	7.85
Capital work-in-progress		-	-
Intangible assets under Development		-	-
- Non-current investments	5.1	0.48	0.48
- Deferred Tax Assets (net)	2.1	12.81	-
- Long-term Loans and Advances		-	-
- Other Non-current Assets	5.2	151.30	135.00
Sub-Total (E)		172.97	154.79
6. CURRENT ASSETS			
- Current Investments		-	-
- Inventories		-	-
- Trade Receivables	6.1	-	41.97
- Cash and Cash Equivalents	5.2	1,732.73	1,723.12
- Short-term Loans and Advances	6.3	6.28	4.76
- Other Current Assets	6.4	91.26	79.28
Sub-Total (F)		1,890.27	1,849.03
Total		2,063.24	2,003.83
Significant accounting policies	12.0		

Notes 1 to 25 forms an integral part of this Accounts.

AS PER OUR REPORT OF EVEN DATE
FOR H. N. MOTIWALLA & CO.,
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors



[D N SHAH]
PARTNER
MEM. NO. 30566
MUMBAI
APRIL 10, 2013

S K TUTEJA
DIRECTOR
MUMBAI
APRIL 10, 2013

SHREYANS JAIN
ACTING CEO
MUMBAI
APRIL 10, 2013

SHIKHA SHARMA
DIRECTOR
MUMBAI
APRIL 10, 2013

ANIL CHITNAVIS
COMPANY SECRETARY
MUMBAI
APRIL 10, 2013

AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

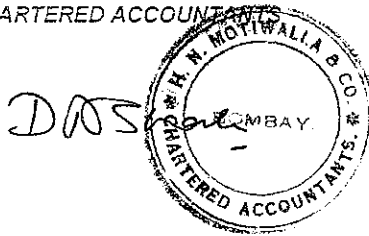
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in Lakhs)

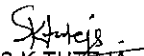
Particulars	Note No	For the year ended March 31, 2013	For the year ended March 31, 2012
(i) Revenue from Operation*s	7.1		
- Sale of Services		792.54	1,188.04
		792.54	1,188.04
(ii) Other income	8.1	184.50	133.78
Total revenue (i + ii)		977.04	1,321.82
Expenses			
- Employee benefit expenses	9.1	495.51	578.83
- Finance Cost	10.1	0.01	-
- Depreciation and amortisation expense	4.1	8.51	11.02
- Other Expenses	11.1	285.98	577.43
Total expenses		790.21	1,167.28
Profit before exceptional and extra-ordinary items and Tax		186.84	154.54
Exceptional items		-	-
Profit before extra-ordinary items and Tax		186.84	154.54
Extra-ordinary items		-	-
Profit Before Tax		186.84	154.54
- Tax Expense			
Current Tax		83.94	66.89
Short / (Excess) provision for tax of earlier year(s)		(33.50)	-
Deferred Tax		(14.30)	2.73
Total Tax		36.04	69.62
Profit and Loss from Continuing operations		150.79	84.92
Profit and Loss from discontinuing operations		-	-
Tax expense on discontinuing operations		-	-
Profit / (loss) from discontinuing Operations (after tax)		-	-
Profit / (loss) for the period		150.79	84.92
Equity Share of Par value Rs. 10 each			
Basic		1.01	0.57
Diluted		1.01	0.57


AS PER OUR REPORT OF EVEN DATE
FOR H. N. MOTIWALLA & CO.,
CHARTERED ACCOUNTANTS

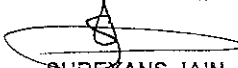
For and on behalf of the Board of Directors

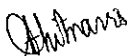


[D N SHAH]
PARTNER
MEM. NO. 30566
MUMBAI
APRIL 10, 2013


SHIKHA SHARMA
DIRECTOR
MUMBAI
APRIL 10, 2013


SHIKHA SHARMA
DIRECTOR
MUMBAI
APRIL 10, 2013


SHREYANS JAIN
ACTING CEO
MUMBAI
APRIL 10, 2013


AMOL CHITNAVIS
COMPANY SECRETARY
MUMBAI
APRIL 10, 2013

AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

1.1 - Share Capital

(Rs. in Lakhs)

SN.	Particulars	March 31, 2013	March 31, 2012
A	<u>Authorised</u> 1,50,00,000 (PY: 1,50,00,000) Equity Shares of Rs. 10/- each	1,500.00	1,500.00
		1,500.00	1,500.00
B	<u>Issued, Subscribed and fully Paid-up :</u>		
a	<u>EQUITY SHARE CAPITAL</u> 1,50,00,000 (PY: 1,50,00,000) Equity Shares of Rs. 10/- each	1,500.00	1,500.00
		1,500.00	1,500.00
I	<u>Details of Shareholding as at March 31, 2013</u>		
	i. Equity Shares held by various entities.... - 1,50,00,000 (PY: 1,50,00,000) Equity Shares of Rs.10/- each held by Axis Bank Limited		
	ii. Shareholders holding more than 5 % of Equity Shares: - 1,50,00,000 Equity Shares of Rs.10/-each held by M/s. Axis Bank Limited - 100%		
II	<u>Reconciliation of the number of Equity Shares outstanding</u>	31-Mar-2013	31-Mar-2012
	Particulars	Shares	Shares
	Number of shares at the beginning of the year	150	150
	Add: Shares issued	-	-
	Less: Shares forfeited	-	-
	Number of shares at the end of year	150	150
III	Each equity share is entitled to one voting right only.		

1.2 - Reserves and Surplus

(Rs. in Lakhs)

Particulars	Opening as at 01/04/2012	Additions	Deductions/ Adjustments	Balance as at 31/03/2013
Surplus as per Profit and Loss Account	379.49	150.79	-	530.28
Total	379.49	150.79	-	530.28

Details of Profit and Loss Surplus is as given below:

(Rs. in Lakhs)

Particulars	As at	As at
	March 31, 2013	March 31, 2012
Net Profit after Tax	150.79	84.92
Balance brought forward	379.49	294.57
Profit Available for Appropriation	530.28	379.49
Appropriations:	-	-
Surplus Carried to Balance Sheet	530.28	379.49

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AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

2.1 - Deferred Tax Liability (Net)

(Rs. in Lakhs)

SN.	Particulars	March 31, 2013	March 31, 2012
A)	Deferred Tax Liability		
a.	Depreciation	-	1.48
	Sub-Total (A)	-	1.48
B)	Deferred Tax Asset		
a.	Depreciation	12.81	-
b.	Expenditure allowabale u/s. 35D	-	-
	Sub-Total (B)	12.81	-
	Total (A - B)	(12.81)	1.48

2.2 - Long Term Provisions

(Rs. in Lakhs)

Particulars	March 31, 2013	March 31, 2012
Provision for Employee Benefits - Provision for Gratuity	4.58	-
Other Provision - Provision for Service Tax	12.57	12.57
Total	17.15	12.57

3.1 - Short Term Provisions

(Rs. in Lakhs)

Particulars	March 31, 2013	March 31, 2012
Others		
- Provision for Expenses	10.19	78.30
- Statutory Dues	2.88	31.99
- Sundry Creditors	2.74	-
Total	15.81	110.28

2

AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

4.1 - Fixed Assets

Particulars	Gross Block				Depreciation/Amortisation			Net Block		
	Opening as at April 01, 2012	Addition for the Year	Disposals/Other Adjustments	Closing as at March 31, 2013	Operating as at April 01, 2012	For the year	Deduction/ Adjustments	Closing as at March 31, 2013	Closing as at March 31, 2013	Opening as at April 01, 2012
I. Tangible Assets										
a. Furniture and Fixtures	-	0.35	-	0.35	-	0.00	-	0.00	0.34	0.00
b. Office Equipments	14.00	0.37	10.25	4.12	8.64	2.03	7.42	3.24	0.89	5.37
c. Others										
- Computer Hardware	9.67	-	-	9.67	4.99	2.03	-	7.02	2.66	4.68
- Mobile Phones	4.34	-	0.30	4.04	2.92	0.97	0.08	3.81	0.23	1.42
Sub Total - (I)	28.02	0.72	10.55	18.18	16.55	5.03	7.51	14.07	4.11	11.47
II. Intangibles Assets										
a. Computer Software	17.90	-	-	17.90	10.05	3.58	-	13.03	4.27	7.85
Sub Total - (II)	17.90	-	-	17.90	10.05	3.58	-	13.03	4.27	7.85
Grand Total - (I+II)	45.92	0.72	10.55	36.08	26.60	8.61	7.51	27.70	8.38	19.32
(Previous year's Figures)	130.56	8.30	100.94	45.92	69.82	11.02	54.24	26.60	19.32	68.74

1 Additions to fixed assets during the year Rs. 0.72 Lakhs

AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

5.1 - Investments Non Current

(Rs. in Lakhs)

SN.	Particulars	Face Value	Number	March 31, 2013	March 31, 2012
B.	OTHER INVESTMENTS				
a	Other Non current investments - Subscription to Class B Units	10	4,750	0.48	0.48
	Total Non-Current Investments			0.48	0.48

5.2 - Other Non Current Assets

(Rs. in Lakhs)

SN.	Particulars	March 31, 2013	March 31, 2012
I	Others - Advance Tax (net of provision)	151.30	135.00
	Total	151.30	135.00



AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

6.1 - Trade Receivables

(Rs. in Lakhs)

Particulars	March 31, 2013	March 31, 2012
a Secured, Considered good		
- Outstanding for a period exceeding six months from its due date	-	-
- Others	-	41.87
Total Trade receivables	-	41.87

6.2 - Cash and Cash Equivalents

(Rs. in Lakhs)

SN.	Particulars	March 31, 2013	March 31, 2012
A	Cash and Cash Equivalents		
a	- Balance with Bank	41.73	73.12
	Sub-Total (A)	41.73	73.12
B	Other Bank Balances		
a	- Fixed Deposits with maturity of more than 12 months	1,751.00	1,650.00
	Sub-Total (B)	1,751.00	1,650.00
	Total Cash and Bank Balances (A + B)	1,792.73	1,723.12

6.3 - Short Term Loans and Advances

(Rs. in Lakhs)

SN.	Particulars	March 31, 2013	March 31, 2012
a	Unsecured, Considered good		
	- Loans and advances to related parties	1.25	0.45
	- Others	5.03	4.31
	Total	6.28	4.76

6.4 - Other Current Assets

(Rs. in Lakhs)

Particulars	March 31, 2013	March 31, 2012
Others		
- Prepaid Expense	10.67	19.91
- Accrued interest on fixed deposits	78.73	56.48
- Cenvat Credit	1.85	2.88
Total	91.26	79.28

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AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

7.1 Revenue from Operations in respect of Finance Company

(Rs. in Lakhs)

SN.	Particulars	March 31, 2013	March 31, 2012
A.	<u>Revenue from Operations:</u> - Other Financial Services	792.54	1,188.04
	Total Revenue from Operations (A)	792.54	1,188.04

8.1 - Other Income

(Rs. in Lakhs)

Particulars	March 31, 2013	March 31, 2012
Interest Income		
Current	181.62	120.81
(Tax deducted at source Rs. 18.17 {P Y (Rs. 12.08)})		
Profit on sale of fixed assets	0.04	-
Interest on Income Tax Refund	2.84	12.97
Total	184.50	133.78



AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

9.1 - Employee Benefit Expenses

(Rs. in Lakhs)

	Particulars	March 31, 2013	March 31, 2012
	Salaries and Wages	332.14	510.18
	Contribution to Provident and Other Funds	20.14	22.58
	Rent - Residential Premises	0.00	1.20
	Other Benefits	27.93	41.94
	Staff Welfare Expenses	1.68	2.94
	Gratuity	30.54	0.00
	Voluntary Retirement Scheme	83.18	0.00
	Total	495.61	578.83

10.1 - Finance Cost

(Rs. in Lakhs)

	Particulars	March 31, 2013	March 31, 2012
	<u>Interest Expense</u>		
	Other	0.01	-
	Total	0.01	-

11.1 - Other Expenses

(Rs. in Lakhs)

SN.	Particulars	March 31, 2013	March 31, 2012
a	Power and Fuel	3.98	3.69
b	Rent	49.69	60.74
c	Repairs and Maintenance of: -Others	5.51	5.85
	Total Repairs & Maintenance (c)	5.51	5.85
d	Insurance	8.65	10.41
e	Rates and Taxes	-	0.15
f	<u>Payment to Auditors</u>		
	- As Auditor	1.90	1.90
	- As Tax Auditor	0.60	0.70
	- For Taxation Matters	0.30	0.25
	- For Other Services	0.30	-
	Total Payment to Auditors (f)	3.10	2.85
g	Assets Written Off	2.83	-
h	Bad Debts / Advances Written Off	-	0.05
i	Books & Periodicals	0.25	1.01
j	Business Promotion Expenses	4.57	13.85
k	Conference Expenses	1.93	11.13
l	Deputation Charges	3.86	-
m	Fund Raising Expenses	-	315.02
n	Internet Expenses	6.70	2.76
o	Legal & Professional Fees	12.31	22.31
p	Loss on Sale of Fixed Assets	-	42.44
q	Maintenance Charges	2.34	5.16
r	Membership Fees	3.69	3.14
s	Miscellaneous Expenses	3.38	3.57
t	Office Expenses	7.90	3.54
u	Printing & Stationery	0.73	1.54
v	Prior period items	0.96	(1.06)
w	Provision for Bad and Doubtful debts and Advances	-	5.19
x	Service Tax Expenses	0.30	-
y	Settlement Expenses	136.42	-
z	Sitting Fees - Board	7.80	5.55
aa	Subscription	0.85	3.10
ab	Telephone	2.21	3.62
ac	Travelling	15.99	31.80
	Total (a to ac)	285.98	577.43

8

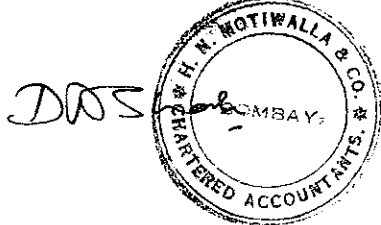
AXIS PRIVATE EQUITY LIMITED
(formerly UBL Asset Management Company Limited)

CASHFLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2013

(Rs. in Lakhs)

Particulars	2012-13	2011-12
A. CASHFLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	186.84	154.54
<u>Adjustments for :</u>		
Depreciation	8.51	11.02
Interest Income	(181.62)	(120.81)
Provision for expenses	(63.53)	(3.45)
Loss on Sale of Fixed Assets	-	42.44
Prior Period Expenses	0.96	(1.06)
Operating Profit before changes in Operating Assets	(48.74)	82.68
<u>(Increase) / decrease in Operating Assets</u>		
Loan & Advances/Trade Receivable	12.07	653.90
<u>Increase / (Decrease) in Operating Liabilities</u>		
Current Liabilities	(110.31)	(71.53)
Cash generated from Operations	(146.98)	665.06
Interest on income Tax Refund	(2.84)	(12.97)
Prior Period Adjustments (excess provision)	32.64	1.06
NET CASH FLOW FROM OPERATING ACTIVITIES	(117.18)	653.14
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Sale of Fixed Assets	2.33	(4.04)
Investment in AIF1 (Subscription to Class B Units)	-	(0.48)
Interest Received	184.46	133.78
NET CASH FLOW FROM INVESTING ACTIVITIES	186.79	129.27
C. CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH FLOW FROM FINANCING ACTIVITIES	-	-
D. NET INCREASE IN CASH AND CASH EQUIVALENTS	69.61	782.41
Cash and Cash Equivalent at the beginning of the year	1,723.12	940.71
Cash and Cash Equivalent at the end of the year	1,792.73	1,723.12

AS PER OUR REPORT OF EVEN DATE
FOR H. N. MOTIWALLA & CO.,
CHARTERED ACCOUNTANTS



[D N SHAH]
PARTNER
MEM. NO. 30566
MUMBAI
APRIL 10, 2013

For and on behalf of the Board of Directors

S K TUFEJA
DIRECTOR
MUMBAI
APRIL 10, 2013

SHIKHA SHARMA
DIRECTOR
MUMBAI
APRIL 10, 2013

SHREYANS JAIN
ACTING CEO
MUMBAI
APRIL 10, 2013

AMOL CHITNAVIS
COMPANY SECRETARY
MUMBAI
APRIL 10, 2013

Overview of the Company

The Company was incorporated as a limited Company on October 3, 2006 under the name of UBL Asset Management Company Limited which was renamed as Axis Private Equity Limited with effect from August 25, 2007 to carry on the activities of managing directly or indirectly investments, managing mutual funds, Venture Capital funds, off-shore funds, pension funds, provident funds, insurance funds or any other funds and to promote, manage and carry on any Venture Capital Funds operation, Investment or pool of or concerning any shares, stocks, debentures stocks, bonds, unit loans, money market investments or obligations or other securities or investments of any kind or description either directly or for the benefit of person or persons and to act as managers, consultants, advisors, administrators, attorneys, agents, or representatives of or for mutual funds, venture capital funds, offshore funds, pension funds, provident funds, or any other funds formed or established in India or elsewhere by the company or any other person (whether incorporated or not) or by any government, state, local authority, association, institution (whether incorporated or not) or any other agency or organization. Axis Bank Limited owns 100% of the paid-up share capital of the Company.

12 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

12.1 Accounting Conventions

The Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India under the historical cost convention, on the accrual basis, in compliance with the Accounting Standards (AS) prescribed by the Companies (Accounting Standards) Rules, 2006 and the Companies Act, 1956 to the extent applicable and on the principles of a going concern.

12.2 Use of estimates :

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

12.3 Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition and installation.

12.4 Depreciation

Depreciation on Fixed Assets is provided on Straight Line Method for the full month of purchase and at the rates mentioned below as determined by the management on the basis of estimated useful life of the assets.

<u>Asset</u>	<u>Estimated Useful life (Years)</u>
Computer Hardware & Printers	3
Computer Software & Routers	5
Mobile Phone	2
Office Equipment	10
Furniture & Fixtures	10

Assets costing less than Rs.5000/- are being fully depreciated in the year of purchase.

12.5 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such asset is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exist, then such loss is reversed and the asset is restated to that effect.

12.6 Foreign Currency Transactions

Foreign Currency Transactions are accounted at exchange rates prevailing on the date of the transaction. Outstanding year-end balances of monetary assets and liabilities are translated at year-end exchange rates and the resultant differences together with gains/losses on settlement of transactions are taken to Profit and Loss Account.

12.7 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from operations comprise of Management Fee which is recognized in the Profit & Loss account on an accrual basis.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate for that maturity period. Interest Income is included under the head 'Other Income' in the Profit & Loss account.

12.8 Employee Benefits

- a) There is only one employee, the payment under Gratuity Act, 1972 has been provided in the books as estimated by the management.
- b) In case of Provident Fund, payments are made to the Regional Provident Fund Commissioner and are accounted for on accrual basis.
- c) Leave entitlement has been accounted on cash basis

12.9 Taxation

a) Current Taxation

The tax expense is charged to the Profit and Loss Account for the year. Current tax is calculated in accordance with the tax laws applicable to the current financial year.

- b) Tax credit is recognised in respect of Minimum Alternate Tax as per the provisions of section 115JB of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time framed and is reviewed at each balance sheet date.

c) Deferred Taxation

The tax expense/saving on account of deferred tax is charged or credited to the Profit and Loss Account for the year. The Company provides for deferred tax using the liability method based on the tax effect of timing differences resulting from recognition of items in the financial statements. The deferred tax charge or credit is recognized using the tax rates and tax laws that have been substantially enacted by the balance sheet date. Deferred tax assets are recognized only if there is virtual certainty of realization of such assets. At each balance sheet date, recognized and unrecognized deferred tax assets are reviewed.

12.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset, only when such reimbursement is virtually certain. Contingent liabilities are not recognized but are disclosed by way of notes. Contingent assets are neither recognised in financial statements nor disclosed by way of note.

12.11 Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost.

However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the profit & loss account.

Note 13 Capital Commitments
Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to NIL.

Note 14 Operating Lease
During the year, office premises obtained on lease from Axis Bank, holding company at a monthly rent of Rs. 4.87 Lacs plus service tax thereon for the period from April 2012 to January 2013 than after the rent has been reduced to Rs. 0.78 Lacs per month from February 2013 onwards based on the utilization of premises. The agreement for the current premises is for a period of 3 years.

There are no subleases. During the current year the amount charged to the profit and loss account is Rs. 49.69 Lacs (Previous Year :Rs.80.74 Lacs)

Note 15 Earnings per share:
The basic earning per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

The Company has no potentially dilutive equity shares outstanding during the year.

Note 16 Payment to Auditors

(Rs. In Lakhs)

Particulars	As at March 31,2013	As at March 31,2012
- As Auditor	1.90	1.90
- As Tax Auditor	0.60	0.70
- For Taxation Matters	0.30	0.25
- For Other Services	0.30	-
Total	3.10	2.85

Note 17 The company has paid Rs. 1.36 Crores pursuant to Deed of Settlement dated March 19, 2013 to M/s Vinamara Universal Traders Pvt Ltd & Debited to Settlement Expenses

Note 18 Prior Period Expenses includes expenses towards TDS & Income Tax payments

Note 19 a) The deferred Tax Asset/(Liability) comprises of tax effect of timing differences on depreciation

(Rs. In Lakhs)

Particulars	As at March 31,2013	As at March 31,2012
Deferred Tax Assets / (Liabilities)	12.81	(1.48)

Note 20 Related Party Transactions

Related party disclosures as required by AS-18 "Related Party Disclosures" are given below:

A) Name of the related parties:

Where control exists:

a) Holding Company

1 Axis Bank Limited

b) Key Managerial Personnel

1 Mr. Arun Prakaash S. Korati (Managing Director & CEO)

2 Mr. Shreyans Jain (Acting CEO)

c) Others

1 Axis PE CI Trust

- B) Transactions carried out with related parties referred to in a, & b above, in the ordinary course of business are as under:

Particulars	Promoter	Key Managerial Personnel	Related Parties of Key Managerial	(Rs. In Lakhs)
				Total
Managerial Remuneration	-	120.00	-	120.00
Deposit Made	1,751.00	-	-	1,751.00
Deposit Outstanding As on March 31, 2013	1,829.73	-	-	1,829.73
Bank Balance As on March 31, 2013	41.73	-	-	41.73
Share Capital As on March 31, 2013	1,500.00	-	-	1,500.00
Interest on Deposits	181.62	-	-	181.62
Shared Expenses	13.38	-	-	13.38
Office Rent	50.34	-	-	50.34
Bank Charges	0.12	-	-	0.12
Deputation Charges	3.86	-	-	3.86
Gift	-	-	0.25	0.25
Car Hire Charges	-	-	2.62	2.62

- C) Balances with the related parties referred above, in the ordinary courses of business are as under:

Name of the Related Party	Receivable/ Payable	Balance as on	
		March 31, 2013	March 31, 2012
Axis Bank Limited	Payable	2.74	-
Axis PE CI Trust	Receivable	1.25	0.45

Notes:

1. Related party relationship is as identified by the management and relied upon by the Auditors.
2. No amount in respect of related parties have been written off/written back/provided for during the year.

Note 21 Necessary steps have been taken for the appointment of Company Secretary as per provision of the Companies Act, 1956.

Note 22 Managerial Remuneration

- a) The term of Mr. Arun Prakash S. Korati as Managing Director & CEO is for a period of 3 years upto October 16, 2014 at terms approved by the Board of Directors and approved by the shareholders. However, he has resigned on October 31, 2012
- b) The term of Mr. Shreyans Jain as Acting CEO is for a period of 1 year upto March 31, 2014 at terms approved by the Board of Directors subject to the approval of the shareholders
- c) The particulars of Managerial Remuneration paid during the financial year 2011 -2012 are given below:

Name of the Related Party	(Rs. In Lakhs)	
	Shreyans Jain	Arun Prakash S. Korati
Salaries	7.76	104.93
Perquisites	0.05	0.19
Contribution to Provident Fund	0.51	6.57
Total	8.31	111.69

- d) Computation of net profits in accordance with Section 309(5) of the Companies Act, 1956 has not been given since no commission is payable



Note 23 **Contingent Liabilities**

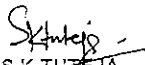
For the Assessment Year 2007 - 2008 company had filed an appeal before the CIT(Appeal) against the order u/s 143(3) of the Income Tax Act, 1961 and the same was disallowed on March 05, 2013. The company has preferred an appeal with Income Tax Appellate Tribunal for relief against the said order.

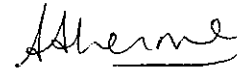
In the meanwhile, the assessing officer has levied a penalty u/s 271 (1) (c) of the Income Tax Act, 1961 of Rs. 36,16,668/- for which the assess has preferred an appeal with CIT(Appeal)

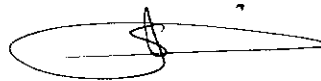
Note 24 Disclosure under Part II of Schedule VI of the Companies Act, 1956 have been made to the extent applicable to the Company.

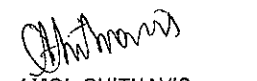
Note 25 Previous years' figure have been regrouped and reclassified, wherever considered necessary to conform to the current year's classification and presentation.

For and on behalf of the Board of Directors


S K TUTEJA
DIRECTOR
MUMBAI
APRIL 10, 2013


SHIKHA SHARMA
DIRECTOR
MUMBAI
APRIL 10, 2013


SHREYANS JAIN
ACTING CEO
MUMBAI
APRIL 10, 2013


AMOL CHITNAVIS
COMPANY SECRETARY
MUMBAI
APRIL 10, 2013