

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CANARA ROBECO ASSET MANAGEMENT COMPANY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION:

We have audited the accompanying Financial Statements of **Canara Robeco Asset Management Company Limited** ("the Company"), which comprises the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date and notes to financial statement including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribe under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, and its cash flows for the year ended on that date.

1) BASIS FOR OPINION:

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



2) MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2015, as amended.

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

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

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

3) AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENT:

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control to obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has



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adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

4) INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.



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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5) REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

- a. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- b. As required by section 143(3) of the Act, based on our audit, we report that:
 - i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) 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 those books;
 - iii) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - iv) In our opinion, the aforesaid standalone financial statements comply with the AS specified under Section 133 of the Act.
 - v) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act.
 - vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - vii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule 2014, as amended in our opinion and to the best of our information and according to the explanation given to us
 - a. The Company has disclosed pending litigation in note no.27 to financial statements which would impact its financial position;



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- b. The Company did not have any long-term contracts including derivative contracts for which they were any material foreseeable losses under the applicable law or accounting standards.
- c. There has been no delay in transferring amounts if applicable, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d. i) On the basis of written representations received and taken on record from the management, no funds other than as disclosed in the notes to the accounts have been advanced or loaned or invested by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- ii) further, management has represented that no funds other as disclosed in the notes to the accounts have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on our audit procedures nothing has come to our notice that can cause us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- e) In our opinion, based on information and explanation provided to us dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act 2013.

As required by section 143(5) of the Act, with respect to reporting under the directions issued by the Comptroller & Auditor General of India, we report that

<p>I. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.</p>	<p>The company has a system in place to process all the accounting transactions through IT system. According to the information and explanations given to us and on the basis of our examination there are no accounting transactions processed outside IT system impacting the integrity of the accounts.</p>
<p>II. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are</p>	<p>According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that there are no cases of waiver/ write off of debts/ loans/ interest.</p>



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properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	
III. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no funds (grants/ subsidy etc.) received/ receivable from Central/ State agencies.

For G.P Kapadia & Co
Chartered Accountant
(FRN: 104768W)

N.S.B.



CA Nimesh Bhimani
Partner

Membership No: 030547

UDIN: 22030547AHXMSF5357

Date: 27th April, 2022

Place: Mumbai

(COMPANY AUDITORS REPORT ORDER, 2020)

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred in paragraph 5 under 'Report on Other legal and Regulatory Requirement's section of our report of even date to the members of Canara Robeco Asset Management Company on the financial statements for the year ended March 31, 2022)

- (i) In respect of the Company's Property, Plant and Equipment:
- a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The company has maintained proper records showing full particulars, of intangible assets.
- (b) As explained to us, the Property, Plant & Equipment have been physically verified by the management on reasonable interval. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regards to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (d) As per information provided and explained to us by the company has not revalued any of its property, plant and equipment (including right of use of assets) or intangible asset or both during the year.
- (e) As per information provided and explanation given to us by the company, no proceedings have been initiated or are pending against the company for holding any benami property under the "Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) As the company does not have any inventories, hence, the clause 3(ii) of the Order is not applicable to the Company.
- (iii) Company has invested in various schemes of mutual funds which it has disclosed in note no.8 & 12 of audited financial statements. Further as per information and explanation provided to us, the company has neither provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties, hence, clause iii (a to f) is not applicable to the company.
- (iv) In our opinion and according to the information and explanation given to us, in respect of loans, investments, guarantees, and security the Company has complied with section 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- (vi) As the company is not a manufacturing concern, the clause 3(vi) of the Order regarding maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.



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- (vii) (a) According to information and explanation given to us, the company is generally regular in depositing undisputed statutory dues including Goods and Service tax, Provident fund, Employees' state Insurance, Income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities during the year and no such dues are outstanding for more than six months from the date they became payable.

(b) Details of litigations pending before Income tax authority is as under.

ASSESSMENT YEAR	DISPUTED LIABILITY	FORUM WHERE PENDING
2018-19	33,439,890	CIT (A)-NFAC

- (viii) As per information and explanation provided to us, there are no transactions which were not recorded in books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under Income tax Act, 1961.
- (ix) In our opinion and according to the information and explanation given to us, the company has not borrowed any money from financial institutions, banks or other lenders. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- (x) In our opinion and according to the information and explanation given to us, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments), preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company.
- (xi) (a) During the year two frauds were detected in two separate schemes of mutual funds which were reported in the board meeting held on 26th July, 2021, details of the same are as under

Scheme Name	Nature of Fraud	Amount Involved	Fraud Notice date
Canara Robeco Equity Hybrid Fund	Unit transferred by forged signature in different language, with change in mobile no., and bank details by RTA Agent M/s Kfintech, Patna.	Rs.22,11,096/-	23/06/2021
Canara Robeco Emerging Equities Fund (Regular-Growth)	Transmission of units to bogus nominee, in new folio and bank account updated by RTA Agent without carrying out PAN validation check by M/s Kfintech, Gujarat.	Rs.1,24,800/-	20/02/2021

- (b) No report as prescribed ADT – 4 under rule 13 of Companies (Audit and Auditors) Rules 2014 r.w.s 143(12) of the Companies Act, 2013 has been filed as the amount involved is below the reportable limit.
- (c) As per information and explanation provided to us, during the year there were no complaint's received/noted from any whistle blowers.
- (xii) The Company is not a Nidhi company. Hence, paragraph 3(xii) of the Order is not applicable.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of



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- Companies Act where applicable and the details have been disclosed in the Financial Statements at note no. 25, as required by the applicable accounting standards;
- (xiv) (a) The company has appointed M/s Haribhakti and Co. LLP Chartered Accountants to conduct Internal Audit. We have noted the contents and scope of Internal audit based on which we are of opinion that company does have internal audit system which commensurate with the size and nature of its business.
(b) Internal auditor's report for 3 quarters was made available which we have considered, no material discrepancy noted in these internal audit reports.
- (xv) According to explanation provided to us, company has not entered into any non-cash transactions with directors or persons connected with him. Hence, clause 3(xv) of the Order is not applicable to the company.
- (xvi) In our opinion and as per information and explanation given to us the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, provisions of clause 3(xvi) of the Order are not applicable to the company.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) M/s Santosh Gupta and Co. Chartered Accountants was the outgoing statutory auditors on account of compulsory rotation as per statutory provisions. We have communicated with them and were informed that they had no objections or concerns to be brought to our notice.
- (xix) Based on financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) As per information and explanation provided to us, the company has spent all the funds as specified in schedule VII of the Companies Act. Hence, there is no pending amount to be transferred to a fund specified in Schedule VII of the Companies Act.
- (xxi) In our opinion, the financial statements are standalone, hence clause 3(xxii) is not applicable to the company.

For G.P Kapadia & Co
Chartered Accountant
(FRN: 104768W)

CA Nimesh Bhimani
Partner

Membership No: 030547

UDIN: 22030547AHXMSF5357

Date: 27th April, 2022

Place: Mumbai



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 5b(vi) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To the Members of Canara Robeco Asset Management Company Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Canara Robeco Asset Management Company Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial



reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For G.P Kapadia & Co
Chartered Accountant
(FRN: 104768W)

N.S.B.

CA Nimesh Bhimani
Partner

Membership No: 030547
UDIN: 22030547AHXMSF5357

Date: 27th April, 2022

Place: Mumbai

