

Independent Auditor's Report

*To the Members of Taurus Asset Management Company Limited
Report on the Audit of the Financial Statements*

Opinion

We have audited the financial statements of Taurus Asset Management Company Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014 as amended, and other accounting principles generally accepted in India,

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the



Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material



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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of the audit have been received from the branches not visited by us.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.



- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Companies Act 2013.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in its financial statement.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N



(M.P. Thakur)
Partner
M. No. : 052473

Place: New Delhi
Date : 22.05.2019



Annexure "A" to the Independent Auditor's Report

(referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of Independent Auditors' Report of even date on the Financial Statements for the year ended March 31, 2019)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The company did not own any Immovable property as at the end of the financial year on March 31, 2019 and hence paragraph 3(i)(c) of the order is not applicable.
- (ii) The Company is a service company primarily rendering asset management services. Accordingly, it does not hold any inventories and hence paragraph 3(ii) of the order is not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) covered in the register maintained under Section 189 of the Act, except an interest free advance of Rs.1,50,000 to a Key Managerial Personnel (KMP) given during the year and the amount outstanding at the year end comes to Rs.1,00,000.
 - (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
 - (b) The schedule of repayment of principal has been stipulated and the repayment of such advance or receipt is regular. Since the advance is interest free as per the company's policy as such recovery of interest does not arise.
 - (c) No amount of repayment of principal is overdue for recovery for more than 90 days as on the date of Balance Sheet.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Act w.r.t. the loans and investments made, however the company has not given any loans as covered under section 185 of the Act.
- (v) In our opinion and according to information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

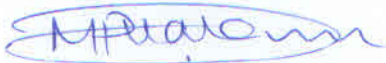


- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Accordingly to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues in respect of income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any disputes.
- (viii) The Company has not taken loans or borrowing from financial institutions, bank, Government or debenture holders and, hence this clause of the order is not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) According to the information and explanation provided by the management and based upon the audit procedures performed, we report that no frauds by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanation given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information & explanation given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.



- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN: 000038N



(M.P. Thakur)
Partner
M.No.: 052473

Place: New Delhi
Date: 22.05.2019



Annexure "B" to the Independent Auditor's Report

(Referred to in Clause(f) of Paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of Taurus Asset Management Company Limited ("the Company") as of March, 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls Over Financial Reporting

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


Inherent Limitations of Internal Financial Controls 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, 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN.: 000038N



M.P. Thakur
Partner
M.No.: 052473

Place: New Delhi
Date : 22.05.2019



	Note No.	As at 31 March 2019	Amount in ₹ As at 31 March 2018
Equity and liabilities			
Shareholders' funds			
Share capital	3	16,93,12,360	16,93,12,360
Reserves and surplus	4	37,66,48,266	34,85,53,362
		<u>54,59,60,626</u>	<u>51,78,65,722</u>
Non-current liabilities			
Long-term provisions	5	1,21,87,397	92,51,527
		<u>1,21,87,397</u>	<u>92,51,527</u>
Current liabilities			
Trade payables	6		
- total outstanding dues of micro enterprises and small enterprises; and		3,83,368	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		41,08,888	95,48,443
Other current liabilities	7	59,03,242	49,44,608
Short-term provisions	5	1,39,298	21,24,033
		<u>1,05,34,796</u>	<u>1,66,17,084</u>
TOTAL		<u>56,86,82,819</u>	<u>54,37,34,333</u>
Assets			
Non-current assets			
Property, plant and equipment	8		
Tangible assets		34,48,610	1,94,03,808
Intangible assets		2,72,407	3,89,607
Non-current investments	9	3,80,75,263	5,30,84,111
Deferred tax assets (net)	10	46,08,824	5,52,672
Long-term loans and advances	11	59,62,211	59,08,654
		<u>5,23,67,315</u>	<u>7,93,38,852</u>
Current assets			
Current investments	12	13,50,00,000	8,92,10,217
Trade receivables	13	69,02,754	93,57,346
Cash and bank balances	14	4,49,71,761	4,43,55,836
Short-term loans and advances	11	32,26,36,479	31,65,24,417
Other current assets	15	68,04,510	49,47,665
		<u>51,63,15,504</u>	<u>46,43,95,481</u>
TOTAL		<u>56,86,82,819</u>	<u>54,37,34,333</u>

Significant Accounting Policies

Notes 1 to 35 are an integral part of these financial statements.

As per our report of even date attached

For Thakur, Vaidyanath Aiyar & Co.

Chartered Accountants

Firm Regn. No. 000038N



M.P. Thakur

Partner

Membership No. 052473

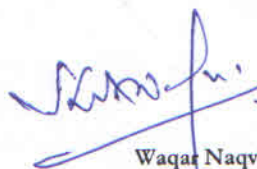
For and on behalf of the Board of Directors



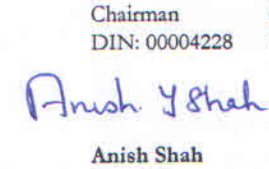
J.P. Kundra
Chairman
DIN: 00004228



R.K. Gupta
Managing Director
DIN: 00021659



Waqar Naqvi
Chief Executive Officer



Anish Shah
Chief Financial Officer



Anu Suri
Company Secretary
Membership No. 27744

Place : New Delhi

Date : 22 May 2019



Taurus Asset Management Company Limited

Regd. Office: Ground Floor, AML Centre-1, 8 Mahakali Caves Road, Andheri (E), Mumbai-400093

(CIN: U67190MH1993PLC073154)

Statement of Profit and Loss for the year ended 31 March 2019

			Amount in ₹
	Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue			
Revenue from management fee		7,82,03,083	10,64,74,095
Other income	16	8,45,40,564	6,02,27,787
		<u>16,27,43,647</u>	<u>16,67,01,882</u>
Expenses			
Employee benefits expense	17	7,45,06,770	7,68,90,202
Finance costs	18	3,415	75,478
Depreciation and amortisation expense	8	18,96,388	21,45,369
Other expenses	19	5,74,25,822	6,82,64,815
		<u>13,38,32,395</u>	<u>14,73,75,864</u>
Profit before tax		2,89,11,252	1,93,26,018
Tax expense			
Current year		48,63,580	32,85,300
Tax earlier years		8,920	-
Deferred tax credit (net)		(40,56,152)	(2,37,256)
Profit for the year		<u>2,80,94,904</u>	<u>1,62,77,974</u>
Earnings per share - (nominal value of share ₹ 10 each) - Basic and Diluted	20	1.66	0.96

Significant Accounting Policies

2

Notes 1 to 35 are an integral part of these financial statements.

As per our report of even date attached

For Thakur, Vaidyanath Aiyar & Co.

Chartered Accountants

Firm Regn. No. 000038N



M.P. Thakur

Partner

Membership No. 052473

For and on behalf of the Board of Directors



J.P. Kundra

Chairman

DIN: 00004228



R.K. Gupta

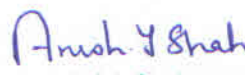
Managing Director

DIN: 00021659



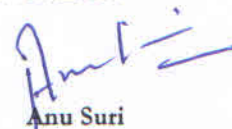
Waqar Naqvi

Chief Executive Officer



Anish Shah

Chief Financial Officer



Anu Suri

Company Secretary

Membership No. 27744

Place : New Delhi

Date : 22 May 2019



	Note No.	Year ended 31 March 2019	Year ended 31 March 2018
A. Cash flow from operating activities :			
Net profit before tax		2,89,11,252	1,93,26,018
Adjustment for:			
Depreciation and amortisation expense		18,96,388	21,45,369
Interest expense on vehicle loans		3,415	75,478
(Profit)/Loss on disposal of fixed assets (net)		(82,98,435)	54,078
Provision for diminution in value of long-term investments written back		(1,27,959)	(45,55,792)
Interest income		(4,01,92,392)	(3,91,95,965)
Dividend income		(8,31,005)	(2,10,000)
Miscellaneous Income		(11,81,728)	(25,96,472)
Net gain on sale of investments		(3,32,62,412)	(1,36,69,026)
Operating profit/(loss) before working capital changes		(5,30,82,875)	(3,86,26,311)
Adjustment for changes in working capital :			
- Movement in trade receivables		24,54,591	38,33,597
- Movement in loans and advances		6,87,825	(2,48,90,440)
- Movement in other current assets		(22,10,529)	-
- Movement in trade payables		(50,56,187)	11,57,819
- Movement in other current liabilities		12,39,101	9,28,077
- Movement in provisions		9,51,135	7,94,727
Gross cash flow (used in) operations		(5,50,16,939)	(5,68,02,531)
Less: income-tax paid		(1,17,25,943)	(1,54,53,875)
Net cash flow(used in) operating activities		(6,67,42,882)	(7,22,56,406)
B. Cash flow from investing activities:			
Purchase of fixed assets		(9,73,208)	(2,00,801)
Sale proceeds from fixed assets		2,34,47,654	72,982
Sale proceeds from long term investments		3,68,80,031	1,36,28,660
Sale proceeds from current investments		21,57,29,404	11,35,00,000
Sale proceeds from fixed deposits		3,96,00,000	99,00,000
Amount received against recovery of BILT		11,81,728	25,96,472
Purchase of investments		(25,00,00,000)	(7,70,00,000)
Investment in fixed deposits		(4,00,00,000)	(2,97,00,000)
Interest received		4,05,46,076	3,84,14,286
Dividend received		8,31,005	2,10,000
Net cash flow generated from investing activities		6,72,42,690	7,14,21,599
C. Cash flow from financing activities:			
Repayment of long-term borrowings		(2,78,680)	(10,83,399)
Interest paid on borrowings		(5,203)	(82,525)
Net cash flow generated from / (used in) financing activities		(2,83,883)	(11,65,924)
Net increase in cash and cash equivalents (A+B+C)		2,15,925	(20,00,731)
Cash and cash equivalents at the beginning of the year		47,55,836	67,56,567
Cash and cash equivalents at the end of the year		49,71,761	47,55,836
Cash and cash equivalents comprises of:			
Cash on hand		37,493	11,024
Balances with banks			
- in current accounts		49,34,268	47,44,812
		49,71,761	47,55,836


Significant Accounting Policies
 Notes 1 to 35 are an integral part of these financial statements.

2

As per our report of even date attached
For Thakur, Vaidyanath Aiyar & Co.
 Chartered Accountants
 Firm Regn. No. 000038N



M.P. Thakur
 Partner
 Membership No. 052473


Waqar Naqvi
 Chief Executive Officer

Place : New Delhi
 Date : 22 May 2019




For and on behalf of the Board of Directors



J.P. Kundra
 Chairman
 DIN: 00004228



R.K. Gupta
 Managing Director
 DIN: 00021659



Anish Shah
 Chief Financial Officer



Anu Suri
 Company Secretary
 Membership No. 27744

Taurus Asset Management Company Limited

Regd. Office: Ground Floor, AML Centre-1, 8 Mahakali Caves Road, Andheri (E), Mumbai-400093
(CIN: U67190MH1993PLC073154)

Summary of Significant Accounting Policies and other explanatory information to the financial statement for the year ended 31 March 2019

1. Company Overview

Taurus Asset Management Company Limited ('the Company') is a public limited company incorporated under the provisions of the Companies Act, 1956 on July 27, 1993. The Registered Office of the company is located at Ground Floor, AML Centre-1, 8 Mahal Industrial Estate, Mahakali Caves Road, Andheri East, Mumbai-400093. The Company's Registered Office was formerly located at 305 Regent Chambers, 208 Jammalal Bajaj Marg, Nariman Point, Mumbai - 400021 till 31st March 2018. The Company's principal activity is rendering Asset Management Service (AMC). The AMC has been appointed as the Investment Manager of Taurus Mutual Fund by the Trustees in terms of SEBI (Mutual Funds) Regulations, 1996.

2. Significant accounting policies

a) Basis of Preparation

The financial statements have been prepared to comply with the generally accepted accounting principles in India (Indian GAAP) comprising mandatory accounting standards specified under section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Company (Accounts) Rules 2014 and relevant provision of the Act and disclosures are made in accordance with the requirements of Schedule III of the Companies Act, 2013 as referred to in Section 129(1). The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period. The actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. The effect of material changes is disclosed in the notes to accounts.

c) Property, Plant and Equipment

Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and impairment loss, if any. The cost comprises of purchase price and any cost attributable to bringing the assets to its working condition and for its intended use.

Intangible Assets

Intangible assets comprise softwares and licenses which are stated at cost less accumulated amortisation. These are recognised as assets if it is probable that future economic benefits attributable to such assets will flow to the Company and the cost of the assets can be measured reliably.

d) Depreciation and amortisation

Depreciation on tangible fixed assets is provided on straight line method as per useful life specified in Schedule II of the Act.

Depreciation on additions is charged proportionately from the date of acquisition/ installation. Depreciation on deletions is charged till the date of disposal of asset.

Intangible assets are amortized on a straight line basis over the estimated useful life of the asset



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

Taurus Asset Management Company Limited

Regd. Office: Ground Floor, AML Centre-1, 8 Mahakali Caves Road, Andheri (E), Mumbai-400093
(CIN: U67190MH1993PLC073154)

Summary of Significant Accounting Policies and other explanatory information to the financial statement for the year ended 31 March 2019

e) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments

Current investments are carried at lower of cost or fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary in the value of the long term investments.

f) Revenue recognition

- i. Management fees is recognised on an accrual basis at the agreed upon rates with the schemes with reference to their average daily net assets.
- ii. Interest income is recognised on an accrual basis on time proportionate basis taking into account the amount outstanding and the applicable rates. Interest on tax refund is accounted for on receipt basis.
- iii. Dividend income is accounted for as income when the Company's right to receive it is established.
- iv. The gains/ losses on sale of investments are recognised in the statement of profit and loss on the trade day. Profit or loss on sale of investments is determined on weighted average cost basis.

g) 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 are recognised as an expense in the statement of profit and loss on a straight-line basis over the of the lease term.

h) Employee benefits

The Company has two post employment benefit plans in operation viz. Gratuity and Leave encashment and one defined contribution plan viz. Provident Fund.

Provident fund benefit is a defined contribution plan under which the Company pays fixed contribution into funds established under Employees Provident Fund and Miscellaneous Provisions Act, 1952. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature.

The Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on separation from the Company, usually dependent on one or more factors such as age, years of service and remuneration. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation ('DBO') at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method at the balance sheet date.

The Company also provides benefit of compensated absences under which un-availed leaves are allowed to be accumulated to be availed in future. The scheme is considered as a long term benefit. The compensated absences comprises of vesting as well as non vesting benefit and the liability is determined in accordance with



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

Taurus Asset Management Company Limited

Regd. Office: Ground Floor, AML Centre-1, 8 Mahakali Caves Road, Andheri (E), Mumbai-400093
(CIN: U67190MH1993PLC073154)

Summary of Significant Accounting Policies and other explanatory information to the financial statement for the year ended 31 March 2019

the rules of the Company and is based on actuarial valuations made using the projected unit credit method at the balance sheet date.

i) Scheme Expenses

Expenses incurred on behalf of the schemes of Taurus Mutual Fund in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996 are recognized in the statement of profit and loss under the head Mutual fund expenses.

j) Foreign exchange transactions

Transactions in foreign currency are recorded at the rates prevailing on the date of the transaction. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date.

Exchange differences arising on the settlement/ restatement of monetary items at the rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognised as income or expense in the year in which they arise.

k) Earnings per share

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. The Company has not issued any potential equity shares, and accordingly the Basic Earnings and Diluted Earnings are the same.

l) Impairment of assets

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of asset. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is charged to the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

m) Taxes on income

Tax expenses comprises of current and deferred tax.

Current tax is determined as higher of the amount of tax payable calculated at the tax rates applicable to the relevant assessment year on the assessable income of the respective year or tax payable on book profit computed in accordance with the provisions of section 115JB of the Income tax Act, 1961.

Deferred income-tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income



[Handwritten signature]

[Handwritten initials]

[Handwritten signature]

Taurus Asset Management Company Limited

**Regd. Office: Ground Floor, AML Centre-1, 8 Mahakali Caves Road, Andheri (E), Mumbai-400093
(CIN: U67190MH1993PLC073154)**

Summary of Significant Accounting Policies and other explanatory information to the financial statement for the year ended 31 March 2019

will be available against which such deferred tax assets can be realized. Deferred tax asset to the extent it pertains to unabsorbed business loss/ depreciation is recognized only to the extent that there is virtual certainty of realization based on convincing evidence, as evaluated on a case to case basis.

Minimum Alternate tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and write down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income-tax during the specified period.

n) Provisions and contingencies

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- present obligation, where a reliable estimate cannot be made.

o) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term bank deposits with an original maturity of three months or less.

p) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profits before extraordinary items and taxes adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the information available.



[Handwritten signature]

[Handwritten initials]

[Handwritten signature]

	Amount in ₹			
	As at 31 March 2019		As at 31 March 2018	
	Number	Amounts	Number	Amounts
3 Share capital				
Authorised share capital				
Equity shares of ₹ 10 per share	1,70,00,000	17,00,00,000	1,70,00,000	17,00,00,000
Redeemable preference shares of ₹ 10 per share	30,00,000	3,00,00,000	30,00,000	3,00,00,000
	<u>2,00,00,000</u>	<u>20,00,00,000</u>	<u>2,00,00,000</u>	<u>20,00,00,000</u>
Issued				
Equity shares of ₹ 10 per share	1,69,41,252	16,94,12,520	1,69,41,252	16,94,12,520
Subscribed and fully paid up				
Equity shares of ₹ 10 per share	1,69,31,236	16,93,12,360	1,69,31,236	16,93,12,360
	<u>1,69,31,236</u>	<u>16,93,12,360</u>	<u>1,69,31,236</u>	<u>16,93,12,360</u>
a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year				
Balance at the beginning/end of the year	1,69,31,236	16,93,12,360	1,69,31,236	16,93,12,360
b) Shares held by holding/ultimate holding Company				
	Number of shares	% holding	Number of shares	% holding
HB Portfolio Ltd	1,18,72,118	70.12%	1,18,72,118	70.12%
c) Shareholders holding more than 5% of the shares of the Company*				
	Number of shares	% holding	Number of shares	% holding
Equity shares of ₹ 10 each				
HB Portfolio Ltd	1,18,72,118	70.12%	1,18,72,118	70.12%
RRB Securities Ltd	50,59,058	29.88%	50,59,058	29.88%

* As per records of the Company, including its register of members/shareholders and other declarations, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d) Terms/Rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive the remaining assets of the Company after settlement of all the liabilities, in proportion to the number of equity shares held by the shareholders.

e) No shares have been issued pursuant to contract without payment being received in cash, allotted as fully paid up bonus shares and brought back in the current reporting period and in last five years immediately preceding the current reporting year.



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

	Amount in ₹	
	As at 31 March 2019	As at 31 March 2018
4 Reserves and surplus		
Amalgamation reserve		
Balance at the beginning/end of the year	21,00,000	21,00,000
Securities premium		
Balance at the beginning/end of the year	15,58,93,148	15,58,93,148
Surplus in the statement of profit and loss		
Balance at the beginning of the year	19,05,60,214	17,42,82,240
Add : Profit for the year	2,80,94,904	1,62,77,974
Balance at the end of the year	21,86,55,118	19,05,60,214
	<u>37,66,48,266</u>	<u>34,85,53,362</u>

	Amount in ₹			
	As at 31 March 2019		As at 31 March 2018	
	Long-term	Short-term	Long-term	Short-term
5 Provisions				
Provisions for employee benefits				
- Gratuity	69,93,959	80,156	44,51,948	20,80,123
- Compensated absences	51,93,438	59,142	47,99,579	43,910
	<u>1,21,87,397</u>	<u>1,39,298</u>	<u>92,51,527</u>	<u>21,24,033</u>

6 Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer note 32)	3,83,368	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	41,08,888	95,48,443
	<u>44,92,256</u>	<u>95,48,443</u>

	Amount in ₹	
	As at 31 March 2019	As at 31 March 2018
7 Other current liabilities		
Current maturities of long-term borrowings (Vehicle loans from banks*)	-	2,78,680
Interest accrued but not due on long-term borrowings	-	1,787
Statutory dues	30,64,911	39,05,143
Employee related payables	28,38,331	7,58,998
	<u>59,03,242</u>	<u>49,44,608</u>

* Loans from ICICI Bank Ltd carrying interest ranging from 9.83 percent to 10.20 percent, repayable in 60 equal monthly instalments and are due for repayment by July 2018.



[Handwritten signature]

[Handwritten signature]

8 Property, Plant and Equipment

Gross block	Property, plant and equipments					Intangible assets	
	Buildings	Computers	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Balance as at 31 March 2017	2,18,53,270	83,31,650	15,07,816	69,61,819	30,65,453	16,34,801	4,33,54,809
Additions	-	81,297	-	-	1,19,504	-	2,00,801
Disposals	-	-13,43,523	-	-	-2,53,073	-	-15,96,596
Balance as at 31 March 2018	2,18,53,270	70,69,424	15,07,816	69,61,819	29,31,884	16,34,801	4,19,59,014
Additions	-	7,33,057	-	-	2,40,151	-	9,73,208
Disposals	-2,18,53,270	-10,07,209	-6,19,864	23,32,187	-7,93,874	-	-2,66,06,404
Balance as at 31 March 2019	-	67,95,272	8,87,952	46,29,632	23,78,161	16,34,801	1,63,25,818
Balance as at 31 March 2019	-	67,95,272	8,87,952	46,29,632	23,78,161	16,34,801	1,63,25,818

Accumulated depreciation and amortisation							
Balance as at 31 March 2017	71,84,825	68,14,185	11,61,415	27,52,024	25,45,591	15,53,060	2,20,11,100
Charge for the year	3,41,780	6,38,365	89,458	8,40,704	1,13,277	-	20,23,584
Reversal on disposal of assets	-	-12,76,925	-	-	-2,02,553	-	-14,79,478
Balance as at 31 March 2018	75,26,605	61,75,625	12,50,873	35,92,728	24,56,315	15,53,060	2,25,55,206
Charge for the year	1,26,412	6,14,247	88,986	8,16,021	1,33,521	-	17,79,187
Reversal on disposal of assets	-76,53,017	-9,60,116	-6,19,864	15,28,293	-6,95,895	-	-1,14,57,185
Balance as at 31 March 2019	-	58,29,757	7,19,995	28,80,456	18,93,942	15,53,060	1,28,77,209
Balance as at 31 March 2019	-	58,29,757	7,19,995	28,80,456	18,93,942	15,53,060	1,28,77,209

Net block

Balance as at 31 March 2018	1,43,26,665	8,93,799	2,56,943	33,69,091	4,75,569	81,741	1,94,03,808
Balance as at 31 March 2019	-	9,65,516	1,67,957	17,49,176	4,84,219	81,741	34,48,610
Balance as at 31 March 2019	-	9,65,516	1,67,957	17,49,176	4,84,219	81,741	34,48,610



[Handwritten signature]

[Handwritten initials]

Amount in ₹

	As at 31 March 2019		As at 31 March 2018	
	No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
9 Non-current investments				
Long term, non- trade, fully paid up				
Investments in bonds				
Unquoted				
10.75% Shriram Transport Finance Company Limited (Bonds of face value ₹ 100,000 each)	35	35,00,000	35	35,00,000
10.90% Tata Motors Finance Limited (Bonds of face value ₹ 500,000 each)	5	26,27,500	5	26,27,500
9.65% IDBI Bank Limited (Bonds of face value ₹ 1,000,000 each)	2	20,60,000	2	20,60,000
9.75% IFCI Limited (Bonds of face value ₹ 1,000,000 each)	3	30,00,000	3	30,00,000
Sub-total (A)		1,11,87,500		1,11,87,500
Investments in mutual funds				
Unquoted				
Units of Face Value ₹ 10 each unless stated otherwise				
Taurus Starshare (Multi Cap) Fund - Direct Plan - Growth	55,078.211	50,00,000	55,078.211	50,00,000
Taurus Discovery (Mid Cap) Fund - Direct Plan - Growth	76,033.058	23,00,000	76,033.058	23,00,000
Taurus Large Cap Equity Fund - Direct Plan - Growth	35,093.316	22,00,000	35,093.316	22,00,000
Taurus Infrastructure Fund - Direct Plan - Growth	38,335.159	7,00,000	38,335.159	7,00,000
Taurus Tax Shield - Direct Plan - Growth	93,075.205	50,00,000	93,075.205	50,00,000
Taurus Ethical Fund - Direct Plan - Growth	45,971.449	19,00,000	45,971.449	19,00,000
Taurus Nifty Index Fund - Direct Plan - Growth	3,224.018	50,000	3,224.018	50,000
Taurus Banking and Financial Services Fund - Direct Plan - Growth	42,444.822	7,50,000	42,444.822	7,50,000
Taurus Liquid Fund - Direct Plan - Super Institutional Growth (₹ 1,000 each)	3,280.235	50,00,000	3,280.235	50,00,000
Taurus Short Term Income Fund - Direct Plan - Growth (₹ 1,000 each) #	-	-	2,019.438	50,00,000
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth (₹ 1,000 each) #	-	-	2,942.190	50,00,000
Taurus Dynamic Income Fund - Direct Plan - Growth #	-	-	1,42,721.557	20,00,000
Sub-total (B)		2,29,00,000		3,49,00,000
Investments in equity instruments				
Equity shares Face Value of ₹ 10 each unless stated otherwise				
(a) Listed but not quoted				
ADS Diagnostic Limited	25,000	1,10,825	25,000	1,10,825
Aditya Aquaculture Limited *	3,50,100	3,501	3,50,100	3,501
Agr -Marine Exports Limited *	73,300	733	73,300	733
Asian Vegpro Industries Limited *	1,00,000	1,000	1,00,000	1,000



		As at 31 March 2019		As at 31 March 2018	
		No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
Auroma Coke Limited	*	2,50,000	2,500	2,50,000	2,500
Consolidated Containers Limited	*	12,500	125	12,500	125
Deep Diamond India Limited		1,00,000	3,500	1,00,000	3,500
Flora Textiles Limited	*	3,00,100	3,001	3,00,100	3,001
Gujarat Chemical Plasto Limited	*	25,000	250	25,000	250
Gummadi Industries Limited	*	1,00,100	1,001	1,00,100	1,001
Hindustan Domestic Oil Limited	*	42,400	424	42,400	424
Hytasun Magnetics Limited	*	35,500	355	35,500	355
Jaswal Granites Limited	*	1,50,000	1,500	1,50,000	1,500
Kumars Kotex Limited	*	3,00,100	3,001	3,00,100	3,001
LD Textiles Limited	*	225	2	225	2
Manav Pharma Limited	*	24,900	249	24,900	249
Maya Agro Limited	*	99,000	990	99,000	990
Montana International Limited	*	1,48,800	1,488	1,48,800	1,488
M S Securities Limited	*	1,00,000	1,000	1,00,000	1,000
Naraingarh Sugar Mills Limited		2,50,000	2,500	2,50,000	2,500
Noel Agritech Limited		1,65,200	1,652	1,65,200	1,652
Nortech India Limited	*	2,00,000	2,000	2,00,000	2,000
Nutech Organic Chemicals Limited	*	2,00,000	2,000	2,00,000	2,000
Omtex Limited	*	50,000	500	50,000	500
Pan Asia Global Limited	*	3,100	31	3,100	31
P G Industries Limited	*	50,000	500	50,000	500
Premier Aqua Limited	*	1,75,000	1,750	1,75,000	1,750
Premier Polyfilm Limited	*	1,70,800	1,708	1,70,800	1,708
Premier Vinyl Flooring Limited	*	50	-	50	-
Presidency Shoes Limited	*	87,100	871	87,100	871
Prime Solvent Extractions Limited	*	14,400	144	14,400	144
Punjab Wireless Limited		10,500	-	10,500	-
Raghuvendra Spinners Limited	*	30,000	300	30,000	300



Handwritten signatures and initials at the bottom of the page.

		As at 31 March 2019		As at 31 March 2018	
		No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
Rajendra Mining Spares Limited	*	2,50,000	2,500	2,50,000	2,500
Ravi Spinning Limited	*	1,80,000	1,800	1,80,000	1,800
Sandur Laminates Limited	*	1,00,000	1,000	1,00,000	1,000
Sangam Healthcare Products Limited	*	97,700	977	97,700	977
Shoppers Investments Limited	*	50	1	50	1
Shree Karthik Papers Limited	*	95,100	951	95,100	951
SKR Chemicals Limited	*	1,99,800	1,998	1,99,800	1,998
Sonal Cosmetics Limited	*	7,500	75	7,500	75
Southern Fuel Limited	*	1,62,000	1,620	1,62,000	1,620
Sudev Industries Limited		1,24,900	1,249	1,24,900	1,249
Superior Sox Limited	*	1,00,000	1,000	1,00,000	1,000
Suppliment Foods Limited	*	20,000	200	20,000	200
Suryo Foods and Industries Limited	*	77,700	777	77,700	777
Usha Ispat Limited		23,000	230	23,000	230
Viral Filaments Limited	*	1,07,100	1,071	1,07,100	1,071
Viral Syntex Limited		1,15,900	1,159	1,15,900	1,159
Wellwin Industries Limited **		-	-	1,89,983	-
Western Foods Limited	*	84,800	848	84,800	848
Western Orissa Sugar Limited	*	2,950	30	2,950	30
Sub-total (C)			<u>1,66,887</u>		<u>1,66,887</u>

(b) Unquoted

Akshay Software Technologies Limited	90,117	12,67,045	3,00,000	42,18,000
Associated Infotech Limited	4,00,000	4,000	4,00,000	4,000
MF Utilities B12	5,00,000	5,00,000	5,00,000	5,00,000
Sovika Airline Services Limited	3,50,000	17,80,560	3,50,000	17,80,560
Teamasia Semiconductors Limited	2,50,000	2,500	2,50,000	2,500
Sub-total (D)		<u>35,54,105</u>		<u>65,05,060</u>
Total E = (A + B + C + D)		<u>3,78,08,492</u>		<u>5,27,59,447</u>



A- [Signature] [Signature] [Signature]

	As at 31 March 2019		As at 31 March 2018	
	No. of shares/units	Amount in ₹	No of shares/units	Amount in ₹
Quoted				
Ahluwalia Contracts (India) Limited (₹ 2 each)	2,22,309	2,66,771	2,70,553	3,24,664
Sub-total (F)		<u>2,66,771</u>		<u>3,24,664</u>
Total (E + F)		3,80,75,263		5,30,84,111
Less: Provision for diminution in value of investments		<u>3,80,75,263</u>		<u>5,30,84,111</u>
Aggregate amount of				
Book value of quoted investments (F)		2,66,771		3,24,664
Market value of quoted investments		7,22,50,425		10,28,10,140
Book value of unquoted investments (A + C + D)		1,49,08,492		1,78,59,447
Book value of unquoted investments in mutual funds (B)		2,29,00,000		3,49,00,000
Net asset value of investments in mutual funds		3,12,06,494		4,31,13,000

* Not held in the name of the Company (refer note 28).

** Transferred back to scheme of Taurus Mutual Fund

As per SEBI Gazette Notification dated 6th May 2015 the sponsor or AMC shall invest not less than 1% of the assets under management of the scheme as on date of notification or fifty lakhs rupees, whichever is less, in the growth option of the scheme and such investment shall not be redeemed unless the scheme is wound up. The schemes - Taurus Short Term Income Fund, Taurus Ultra Short Term bond Fund & Taurus Dynmaic Income Fund have been merged with Taurus Liquid Fund w.e.f. 2nd May 2018 and the investment of these schemes have been redeemed subsequently as these schemes have been wound up.



1783

↓
A-

	Amount in ₹	
	As at 31 March 2019	As at 31 March 2018
10 Deferred taxes assets (net)		
Deferred tax assets comprises of:		
Provision for employee benefits	34,29,286	31,34,250
Others	6,17,273	76,545
Timing difference on depreciation and amortisation of tangible assets	5,62,265	-
	<u>46,08,824</u>	<u>32,10,795</u>
Deferred tax liability comprises of:		
Timing difference on depreciation and amortisation of tangible assets	-	26,58,123
	-	<u>26,58,123</u>
Deferred taxes assets (net)	<u>46,08,824</u>	<u>5,52,672</u>

11 Loans and advances

	Amount in ₹			
	As at 31 March 2019		As at 31 March 2018	
	Long-term	Short-term	Long-term	Short-term
(Unsecured, considered good)				
Security deposits	49,77,568	-	46,29,142	-
Inter corporate deposits (refer note 31)	-	30,00,00,000	-	30,00,00,000
Other loans and advances				
Prepaid expenses	6,95,643	32,73,505	8,69,512	30,63,168
Balance with government authorities	-	8,51,393	-	14,27,185
Other advances*	2,89,000	4,81,124	4,10,000	8,57,051
Prepaid taxes**	-	1,80,30,457	-	1,11,77,013
	<u>59,62,211</u>	<u>32,26,36,479</u>	<u>59,08,654</u>	<u>31,65,24,417</u>

* Short term advances include ₹100,000 (Previous Year Nil) to related parties.

** Net of provision for income tax of ₹ 8,203,058 (Previous Year ₹19,122,595).



[Signature]

[Signature]

[Signature]

12 Current investments

(Non-trade investments)

Investments in mutual funds - unquoted

(valued at lower of cost or net realisable value)

Units Face Value of ₹ 1000 each unless stated otherwise

	As at 31 March 2019		As at 31 March 2018	
	No. of shares/units	Amount in ₹	No of shares/unit	Amount in ₹
Reliance Liquid Fund - Direct Plan - Growth Option	-	-	17,318	6,99,56,102
Taurus Liquid Fund - Direct Plan - Super Institutional Growth	29,423	5,50,00,000	8,127	1,41,00,000
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth #	-	-	2,624	50,39,672
Taurus Dynamic Income Fund Fund - Direct Plan - Growth (₹ 10 each) #	-	-	7,638	1,14,443
ABSL Money Manager Fund - Direct Plan - Growth Option	1,59,306	4,00,00,000	-	-
ICICI Money Market Fund - Direct Plan - Growth Option	77,042	2,00,00,000	-	-
Reliance Gilt Securities Fund - Direct Plan - Growth Option	7,56,461	2,00,00,000	-	-
		<u>13,50,00,000</u>		<u>8,92,10,217</u>

Aggregate amount of

Book value of unquoted investments in mutual funds

13,50,00,000

8,93,38,175

Net asset value of investments in mutual funds

13,51,89,128

9,29,35,553

The schemes - Taurus Ultra Short Term bond Fund & Taurus Dynmaic Income Fund have been merged with Taurus Liquid Fund w.e.f. 2nd May 2018.



Handwritten signatures and initials in blue ink, including 'Ays' and several checkmarks.

	Amount in ₹	
	As at 31 March 2019	As at 31 March 2018
13 Trade receivables		
<i>(Unsecured and considered good)</i>		
Outstanding for a period less than six months from the date they are due for payment	69,02,754	93,57,346
	<u>69,02,754</u>	<u>93,57,346</u>
14 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	37,493	11,024
Balances with banks		
- in current accounts	49,34,268	47,44,812
Other bank balances		
- Fixed Deposits (having remaining maturity of less than 12 months.)	4,00,00,000	3,96,00,000
	<u>4,49,71,761</u>	<u>4,43,55,836</u>
15 Other current assets		
Interest accrued on		
Non-current investments	3,67,374	3,67,374
Fixed deposits with bank/inter corporate deposits	42,26,607	45,80,291
Receivable against sale of investments	22,10,529	-
	<u>68,04,510</u>	<u>49,47,665</u>



AMS

Handwritten signature and initials.

	Amount in ₹	
	For the year ended 31 March 2019	For the year ended 31 March 2018
16 Other income		
Interest income on:		
- non-current investments in bonds	11,34,294	11,34,352
- inter-corporate deposits	3,60,00,000	3,59,40,813
- fixed deposits with banks	30,56,259	21,18,929
- others	1,839	1,871
Dividend income on equity instruments	8,31,005	2,10,000
Net gain on sale of investments	3,32,62,412	1,36,69,026
Other non-operating income		
- Provision for diminution in value of investments written back	1,27,959	45,55,792
- Miscellaneous income (refer note 25)	11,82,197	25,97,004
- Profit on disposal of assets (net)	82,98,435	-
- Prior period income	6,46,164	-
	<u>8,45,40,564</u>	<u>6,02,27,787</u>
17 Employee benefits expense		
Salaries, wages and bonus	6,60,24,395	6,84,95,528
Provision for gratuity	5,42,044	27,01,447
Contribution to provident and other defined contribution funds	66,97,192	45,31,274
Staff welfare expenses	12,43,139	11,61,953
	<u>7,45,06,770</u>	<u>7,68,90,202</u>
18 Finance costs		
Interest expenses		
- on vehicle loans	3,415	75,478
	<u>3,415</u>	<u>75,478</u>

Sharma



Ans

L
P.

	Amount in ₹	
	For the year ended 31 March 2019	For the year ended 31 March 2018
19 Other expenses		
Rent	1,15,40,682	1,17,64,904
Advertisement and business promotion	61,10,929	51,59,548
Legal and professional fees (refer note 27)	21,34,530	75,71,169
Recruitment charges	6,30,000	3,00,000
Director's sitting fees	15,30,000	15,30,000
Electricity charges	17,98,718	20,20,668
Travelling and conveyance	32,99,297	31,95,911
Repairs and maintenance		
- Buildings	76,772	1,54,524
- Others	22,62,334	22,11,940
Office expenses	9,18,538	11,29,307
Outsourced professional service costs	29,17,042	40,32,477
Insurance	8,66,450	6,45,020
Printing and stationery	9,59,702	3,76,329
Subscription and membership	61,67,260	67,02,939
Communication	16,57,136	21,43,684
Loss on disposal of assets (net)	-	54,078
Rates and taxes	58,499	2,96,028
Mutual fund expenses (refer note 30)	1,36,39,354	1,78,46,717
Corporate social responsibility expenditure	4,60,000	8,00,000
Sundry debit balances written off	-	1,22,310
Miscellaneous expenses	3,98,579	2,07,262
	5,74,25,822	6,82,64,815

20 Earning per equity share - basic/diluted

Net profit for the year	2,80,94,904	1,62,77,974
Weighted average number of shares (no.)	1,69,31,236	1,69,31,236
Nominal value of shares (₹)	10.00	10.00
Earnings per equity share - basic/diluted (₹)	1.66	0.96



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

21 Related party transactions

Related party disclosures, as required by the notified Accounting Standard 18 are given below:

(i) List of related parties and relationships (with whom there were transactions during the year)**a) Key management personnel**

Mr. R. K. Gupta (Managing Director)
 Mr Waqar Naqvi (Chief Executive Officer)
 Mr Anish Shah (Chief Financial Officer)
 (w.e.f. 1st October 2018)
 Mr Amarjeet Singh (Chief Financial Officer)
 (till 15th May 2018)
 Mrs. Anu Suri (Company Secretary)

b) Enterprises over which Directors exercise significant influence.

HB Securities Limited

c) Directors

Mr J. P. Kundra
 Mr. M. G. Gupta
 Mr. Lalit Bhasin
 Mr. Harbanslal
 Maharaj Jai Singh

d) Investing parties of reporting enterprise

HB Portfolio Limited (Holding Company)
 RRB Securities Limited (Significant influence)

Amount in ₹	
For the year ended 31 March 2019	For the year ended 31 March 2018

(ii) Transactions with related parties during the year*Remuneration to KMP*

Mr. R. K. Gupta (Managing Director)	45,92,870	45,89,140
Mr Waqar Naqvi (Chief Executive Officer)	1,55,81,880	1,56,56,500
Mr Amarjeet Singh (Chief Financial Officer) from 1st April 2018 to 15th May 2018	6,43,667	37,06,560
Mr Anish Shah (Chief Financial Officer) from 1st October 2018 to 31st March 2019	26,68,750	-
Mrs. Anu Suri (Company Secretary)	9,47,100	9,86,990

Depository charges paid to HB Securities Ltd

8,543	2,948
-------	-------

Sitting Fees paid (refer c) above)

15,30,000	15,30,000
-----------	-----------

(iii) Advance to KMP

Mrs. Anu Suri (Company Secretary)

Amount advanced	1,50,000	-
Amount recovered	50,000	-

(iii) Closing balances with related parties as at the year end

Depository charges payable to HB Securities Limited	6,982	257
Advance recoverable from Mrs. Anu suri	1,00,000	-

22 In the opinion of the Management, there are no separate reportable segment as per Accounting Standard Segment Reporting (Accounting Standard-17)**23 Disclosure Pursuant to Accounting Standard -15**

Defined Contribution Plan

Amount recognized as expense for defined contribution plans are as under:

Particulars	Current year	Previous year	Amount in ₹
			Head under which shown in Profit & Loss Account
Contribution to Provident Fund	47,04,450	36,66,484	Contribution to provident and other defined contribution funds
Contribution to National Pension Scheme	19,40,733	7,91,333	Contribution to provident and other defined contribution funds
Contribution to ESIC	51,937	73,385	Contribution to provident and other defined contribution funds



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

Defined Benefit Plan

Movement in Net Liability

Amount in ₹

Particulars	Gratuity		Leave Encashment	
	(Unfunded)		(Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of Obligations as at beginning of the year (A)	71,80,328	57,49,517	48,43,489	54,31,554
Interest Cost (B)	5,56,475	4,31,214	2,82,464	4,07,366
Past Service Cost (C)	-	17,78,062	-	-
Current Service Cost (D)	10,02,860	8,14,232	9,37,391	9,77,084
Benefits paid (E)	-	(13,18,655)	(3,42,382)	(6,80,250)
Provision for sick leave adjusted*	-	-	(11,98,787)	-
Actuarial loss (gain) on Obligation (F)	(9,67,700)	(2,74,042)	7,30,405	(12,92,265)
Present value of Obligations as at end of the year (A+B+C+D+E+F)	77,71,963	71,80,328	52,52,580	48,43,489

* The policy for sick leave has been amended during FY 2018-19 whereby no accumulation or encashment of sick leave is allowed.

The amounts recognized in the Balance Sheet and Profit & Loss Account are as follows:

Amount in ₹

Particulars	Gratuity		Leave Encashment	
	(Unfunded)		(Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of Obligations (A)	7771963	7180328	5252580	4843489
Estimated Fair value of Plan Assets (B)	697848	648257	-	-
Net Liability (Asset) (C=A-B)	7074115	6532071	5252580	4843489
Amounts in the Balance Sheet				
Liabilities (Asset)	7074115	6532071	5252580	4843489
Amount charged to Profit & Loss Account				
Current Service Cost	1002860	814232	937391	977084
Interest Cost	556475	431214	282464	407366
Expected Return on Plan Asset (partly funded)	(49,591)	(48,019)	-	-
Past Service Cost	-	1778062	-	-
Actuarial (Gain)/Loss	(967700)	(274042)	730405	(1292265)
Expense recognized in statement of Profit & Loss	542044	2701447	1950260	92185
Head under which shown in the Profit & Loss Account	Contribution to Gratuity		Salaries, wages & bonus	

Following are the Principal Actuarial Assumptions used as at the Balance Sheet Date

Particulars	Gratuity		Leave Encashment	
	(Unfunded)		(Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Discount Rate	7.65%	7.75%	7.65%	7.75%
Expected Rate of Return on Plan Assets	0.00%	0.00%	0.00%	0.00%
Salary Escalation Rate	5.25%	5.25%	5.25%	5.25%

A reconciliation of opening and closing Balances of the Fair Value of Plan Assets:

Amount in ₹

Particulars	Gratuity	
	(Funded)	
	Current Year	Previous Year
Opening Fair Value of Plan Assets	648257	600238
i) Expected Return on Plan Assets	49591	48019
ii) Actuarial Gains / (Losses)	-	-
iii) Contribution by the Employer	-	-
iv) Benefits Paid	-	-
Closing Fair Value of Plan Assets	697848	648257



[Handwritten signature]

[Handwritten initials]

[Handwritten signature]

- 24 No deferred tax asset has been recognized for timing difference on account of accumulated losses and brought forward depreciation in view of the uncertainty as to its realization in the foreseeable future.
- 25 As stated in Note No. 16, Miscellaneous income includes ₹11,81,728/- (P.Y ₹ 25,96,472/-) received from Taurus Mutual Fund towards Company's investment in the Debt schemes of TMF. The debt schemes of Taurus Mutual Fund had invested in Commercial Papers of Ballarpur Industries Limited ("BILT") a group company of Avantha Holding Limited ("AHL") against which full provision was made consequent to default in payment of maturity proceeds during F.Y. 2016-17 which resulted in erosion in net asset value of the mutual fund investment held by the Company. In terms of agreement, AHL agreed to pay the balance amount along with interest in a phased manner. The Boards of Trustee and AMC decided that the recovery proceeds including interest payable by AHL will be paid to all the investors holding investment in the Debt Schemes of Taurus Mutual Fund, when NAV was reduced due to mark-down of BILT Commercial Paper. The miscellaneous income represents the amount received from Taurus Mutual Fund on recovery made from AHL.

Details of amount received:

Scheme	Amount in ₹		
	Long-Term Investments	Current Investments	Total
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth	114995	794235	909230
Taurus Liquid Fund - Direct Plan - Super Institutional Growth	68709	49088	117797
Taurus Dynamic Income Fund - Direct Plan - Growth	44656	2390	47046
Taurus Short Term Income Fund - Direct Plan - Growth	107655	-	107655
Total	336015	845713	1181728

26 Transactions in foreign currency

Particulars	For the year 31 March 2019		For the year 31 March 2018	
	Amount in ₹	UAE Dirham	Amount in ₹	Foreign Currency
Earnings	Nil	Nil	Nil	Nil
Outgo:				
Brokerage Expense	10,267	543	43,093	2,462

27 Payments to auditors (exclusive of GST)

Particulars	For the year 31 March 2019		For the year 31 March 2018	
	Amount in ₹	UAE Dirham	Amount in ₹	Foreign Currency
As auditors				
Statutory audit		7,00,000		7,00,000
for other services		40,000		40,000
Towards reimbursement of expenses		12,000		24,350
Total		7,52,000		7,64,350

- 28 Included in the investments are securities amounting to ₹ 45,771 (previous year ₹ 45,771) acquired in the earlier years, at book value from Taurus Investment Trust Company, the trustee of Taurus Mutual fund. The Company is in the process of getting these investments transferred in its name.

- 29 The Company has taken certain office premises under cancellable operating lease arrangements. The rent expense under these agreements is ₹ 11,540,682 (previous year ₹ 11,442,407). These are cancellable leases entered for a period of 11 months to 3 years. There is no escalation clause provided within the lock in period in these contracts.

30 Mutual fund expenses

- a) Mutual fund expenses include ₹ 52,802 (previous year ₹ 753,684) being expenses of the mutual fund schemes managed by the Company in excess of the limits specified in SEBI regulations which are borne by the Company.
- b) Expenses towards upfront distributors/agent's commission fees paid on mobilization of funds in mutual fund schemes was ₹ 522,391 for FY 2017-18, however, such expenses in the current financial year are ₹ 145,692 from 1 April 2018 to 21 October 2018 as vide SEBI Circular dated 22 October 2018 and subsequent clarification vide SEBI letter dated 21 February 2019 & 25 March 2019, all scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Company, its Associate, sponsor, Trustee or any other entity through any route.
- c) Similarly, expenses related to schemes of Taurus Mutual fund other than commission expenses, fund marketing expenses, bank charges, contribution to investor education fund and trusteeship fees have been borne by the Company till 21 October 2018.



[Signature]

Agg

[Signature]

- 31 The Company has given inter corporate loans to Gemini Portfolios Private Limited ₹ 150,000,000 (previous year ₹ 150,000,000) and ₹ 150,000,000 to Venus Portfolios Private Limited (previous year ₹ 150,000,000) for business purposes.
- 32 As identified, there were no outstanding dues during the accounting year towards the enterprises as defined in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. further, the details of amounts outstanding to Micro, Small & Medium Enterprises based on information available with the Company is as under:

Particulars	Amount in ₹	
	As at 31 March 2019	As at 31 March 2018
Principal amount due and remaining unpaid	383368	Nil
Interest due on above and unpaid interest	Nil	Nil
Interest paid	Nil	Nil
Payment made beyond the appointed day during the year	Nil	Nil
Interest due and payable for the period of delay	Nil	Nil
Interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in succeeding year	Nil	Nil
Interest due and payable for the period of delay	Nil	Nil

- 33 Information in respect of Corporate social Responsibility Expenditure required to be spent by the company:

Particulars	Amount in ₹	
	As at 31 March 2019	As at 31 March 2018
a) Gross amount required to be spent by the company	456779	795095
b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	460000	800000
c) Amount payable at the Year End	-	-

- 34 Contingent Liabilities and Commitments

	For the year 31 March 2019	For the year 31 March 2018
a) Capital and other commitments to the extent not provided for	Nil	Nil
b) Contingent liabilities to the extent not provided for	Nil	Nil

- 35 Previous year figures have been regrouped/rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report of even date attached
For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Regn. No. 000038N

M.P. Thakur
Partner
Membership No. 052473

Place : New Delhi
Date 22-May-19



For and on behalf of the Board of Directors

J.P. Kundra
Chairman
DIN: 00004228

R.K. Gupta
Managing Director
DIN: 00021659

Waqar Naqvi
Chief Executive Officer

Anish Shah
Chief Financial Officer

Anu Suri
Company Secretary
Membership No. 27744